

FEASIBILITY REPORT

For The Issuance of

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

OF

**CADENCE COMMUNITY FACILITIES DISTRICT
(CITY OF MESA, ARIZONA)**

**GENERAL OBLIGATION BONDS,
SERIES 2023**

Public Hearing Date: January 19, 2023

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SECTION ONE

INTRODUCTION; PURPOSE OF FEASIBILITY REPORT; GENERAL DESCRIPTION OF DISTRICT

INTRODUCTION

This Feasibility Report (this “Report”) has been prepared for presentation to the Board of Directors of the Cadence Community Facilities District (City of Mesa, Arizona) (the “District”) in connection with the proposed issuance by the District of its General Obligation Bonds, Series 2023 (the “Bonds”) in a principal amount of not to exceed \$6,000,000, pursuant to the Community Facilities District Act of 1988, Title 48, Chapter 4, Article 6 of Arizona Revised Statutes (“A.R.S.”).

PURPOSE OF FEASIBILITY REPORT

This Report has been prepared for consideration of the feasibility and benefits of the Public Infrastructure and Public Infrastructure Purposes (each as defined in A.R.S. Section 48-701) to be financed by the Bonds (together the “Public Infrastructure”) and of the plan for financing such Public Infrastructure in accordance with the provisions of A.R.S. Section 48-715. Pursuant to A.R.S. Section 48-715, this Report includes (i) a description of the Public Infrastructure to be financed - Section Two; (ii) maps showing, in general, the location of the Public Infrastructure and the area to be benefitted by the Public Infrastructure - Section Three; and (iii) a plan for financing the Public Infrastructure – Section Four.

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

GENERAL DESCRIPTION OF THE DISTRICT

Pursuant to the Community Facilities District Act of 1988, constituting Title 48, Chapter 4, Article 6, A.R.S., as amended, upon the petition of the then owners of all land in the District, the City Council of the City of Mesa, Arizona (the “City”), adopted a resolution on November 12, 2015, which formed the District.

The real property included in the District consists of approximately 403 acres. The District is part of a master planned community known as “Cadence” which consists of approximately 461 acres (the “Project”). The Project is being developed by PPGN Holdings, LLLP, a limited liability limited partnership organized and existing pursuant to the laws of the State of Delaware (the “Developer”).

The Project is located east of the Arizona State Route 202, generally bounded by Ray Road to the north, the future State Route 24 right-of-way to the south, Ellsworth Road to the west, and Crismon Road to the east. Construction on the Project commenced in April 2017. As of November 7, 2022, homebuilders have sold or are under contract for approximately 1,362 single family detached residential units and 109 high-density single family residential units within the Project.

Single family residential development represents approximately 322 acres within the District. Non-residential development comprises approximately 81 acres within the District and includes (i) government services such as a school, parks and open space, and (ii) a variety of commercial development such as office and retail. The following characterizes the approximate acreage within the District.

Total District	Approximate District Acres
Single Family Residential	322
Non-Residential (a)	81
Total	403

(a) Includes schools, commercial uses and common area and neighborhood open space.

The District was created to assist with financing the acquisition of public infrastructure and public infrastructure purposes, including the Public Infrastructure, within the District. See Section Two for a description of the Public Infrastructure to be financed with a portion of the proceeds of the Bonds. A legal description of the District is included in Appendix A. Maps of the District including the location, in general, of the Public Infrastructure, are included in Section Three. The proposed acquisition of the Public Infrastructure as defined in this Report is consistent with the approved General Plan for the District.

SECTION TWO

DESCRIPTION OF PUBLIC INFRASTRUCTURE

DESCRIPTION OF PUBLIC INFRASTRUCTURE

The Public Infrastructure subject to this Report has been publicly bid pursuant to State statutes and District guidelines and will be financed by the Bonds and/or subsequent bond issues and other sources, if necessary. It is expected that the Public Infrastructure listed below will be acquired from the Developer with estimated cost and construction timing as noted.

Acquisition Project Description	Total Estimated Cost	Certified Engineer's Cost (a)	To Be Paid By the Bonds	Paid by Prior Bonds (b)	Eligible for Funding From Future Bonds	Completion Date (c)
1. CA170 Cadence						
Parkway Phase 2-B	\$2,787,864	\$2,747,223	\$360,145	\$2,387,078	\$ -	02-18-20
Cadence Parkway Phase 2B construction consists of new roadway within the District consisting of approximately 1,333 linear feet, Cadence Parkway full street improvements from the southern boundary of Queen Creek Elementary, including the roundabout to Crismon Road. These improvements include sewer, water, water valves, fire hydrants, storm drain, concrete catch basins, storm drain bleed off pipes, concrete curb and gutter, concrete sidewalks, concrete ramps with truncated domes, concrete valley gutter and apron, paving, striping, streetlights, public signage, hardscape, landscape and irrigation. The roadway consists of two paved driving lanes of 3 ½ inches of asphaltic concrete over 6 inches of aggregate base course and a raised divided landscaped median. All improvements are shown on the approved plans dated June 10, 2019, by the City. The improvements for CA170 Cadence Parkway Phase 2B were accepted by the City as of April 6, 2020.						
2. CA200 Crismon						
Road Phase 3	1,178,265	1,012,203	648,488	363,715	-	08-26-20
Crismon Road Phase 3 construction consists of new roadway within the District consisting of approximately 1,200 linear feet, Crismon Road full street improvements from Cadence Parkway to Williams Field Road. These improvements include sewer, water, water valves, fire hydrants, storm drain, concrete catch basins, storm drain bleed off pipes, concrete curb and gutter, concrete sidewalks, concrete ramps with truncated domes, paving, striping, streetlights, public signage, hardscape, landscape and irrigation. The roadway consists of four paved driving lanes and turn lanes of 5 ½ inches of asphaltic concrete over 10 inches of aggregate base course and a raised divided landscaped median. All improvements are shown on the approved plans dated October 29, 2019, by the City. The improvements for CA200 Crismon Road Phase 3 were accepted by the City as of August 26, 2020.						
3. CA190 Cadence						
Parkway Phase 3 (d)	1,303,372	1,303,372	1,303,372	-	-	11-25-20
Cadence Parkway Phase 3 construction consists of new roadway within the District consisting of approximately 1,100 linear feet, Cadence Parkway full street improvements from Cadence Parkway Phase 3 to 1,110 feet east. These improvements include sewer, water, water valves, fire hydrants, storm drain, concrete catch basins, storm drain bleed off pipes, concrete curb and gutter, concrete sidewalks, concrete ramps with truncated domes, concrete valley gutter and apron, paving, striping, streetlights, public signage, hardscape, landscape and irrigation. The roadway consists of 4 paved driving lanes of 3 ½ inches of asphaltic concrete over 6 inches of aggregate base course and a raised divided landscaped median. All improvements are shown on the approved plans dated May 5, 2019, by the City. The improvements for CA190 Cadence Parkway Phase 3 were accepted by the City as of July 28, 2022.						
4. CA210 Williams						
Field Box Culvert	628,493	626,189	626,189	-	-	09-01-20
Williams Field Box Culvert construction consists of new box culvert within the District consisting of approximately 252 linear feet. All improvements are shown on the approved plans dated March 11, 2020, by the City. The improvements for CA210 Williams Field Box Culvert were accepted by the City as of July 25, 2022.						

Acquisition Project Description	Total Estimated Cost	Certified Engineer's Cost (a)	To Be Paid By the Bonds	Paid by Prior Bonds (b)	Eligible for Funding From Future Bonds	Completion Date (c)
5. CA220 & CA230 Williams Field Road Phase 3-A & Waterline Extension						
(e)	\$2,060,866	\$1,609,044	\$1,609,044	\$ -	\$ -	02-19-21
Williams Field Road Phase 3-A and Waterline Extension construction consists of new roadway and new waterline within the District consisting of approximately 1,800 and 2,631 linear feet, respectively. Williams Field Road full street improvements from Crismon Road Phase 3 to 2,000 feet east. These improvements include sewer, water, water valves, fire hydrants, storm drain, concrete catch basins, storm drain bleed off pipes, concrete curb and gutter, concrete sidewalks, concrete ramps with truncated domes, concrete valley gutter and apron, paving, striping, streetlights, public signage, hardscape, landscape and irrigation. The roadway consists of 2 paved driving lanes of 5 ½ inches of asphaltic concrete over 10 inches of aggregate base course and a raised divided landscaped median. All improvements are shown on the approved plans dated July 13, 2020, by the City. The improvements for Williams Field Road Phase 3-A and Waterline Extension were accepted by the City as of April 8, 2021.						
6. CA240 Williams Field Road Channel						
	468,738	468,738	468,738	-	-	12-04-20
Williams Field Road Channel construction consists of new road channel within the District consisting of approximately 56,423 square feet. All improvements are shown on the approved plans dated June 23, 2020, by the City. The improvements for CA240 Williams Field Road Channel were accepted by the City as of August 10, 2022.						
Totals (f)	\$8,427,598	\$7,766,769	\$5,015,976	\$2,750,793	\$ -	

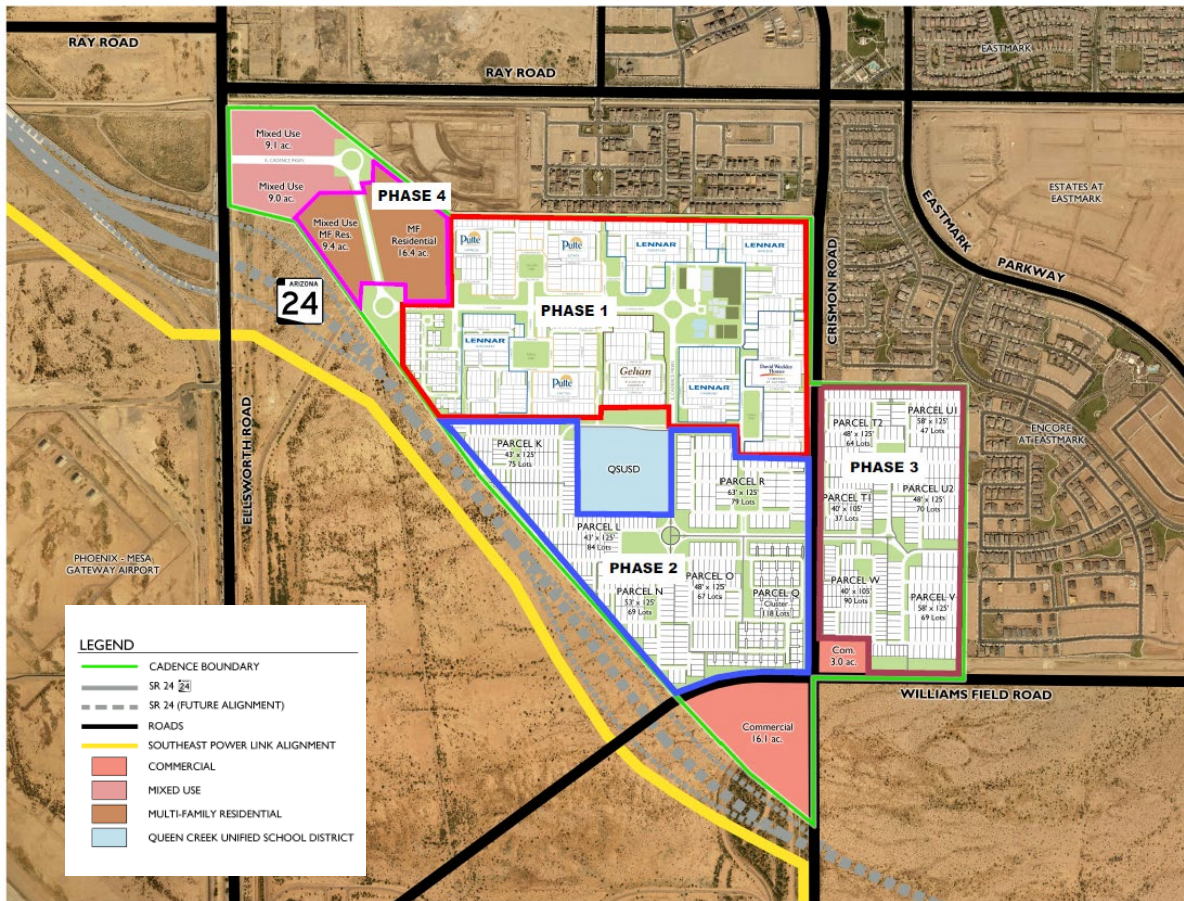
- (a) City reimbursed the Developer \$40,641 of the total cost for CA170 Cadence Parkway Phase 2B, \$166,062 for CA200 Crismon Road Phase 3, and \$451,822 for CA220 & CA230 Williams Field Road and Waterline Extension through the City's "City Share Program." The Certified Engineer's Cost is adjusted on each such project to remove City Share Program amounts from the Total Estimated Costs.
- (b) Includes acquisition costs from the District's prior general obligation bonds and special assessment revenue bonds.
- (c) Represents the date by which the Developer constructed Public Infrastructure which may differ from the date that it was accepted by the City.
- (d) Total estimated cost includes \$123,379 of change orders.
- (e) Total estimated cost includes \$265,084 of change orders.
- (f) Totals may not add due to rounding.

Proceeds of the Bonds are reasonably expected to be used to finance the acquisition of all or a portion of the Public Infrastructure upon acceptance by the District and the City of such Public Infrastructure pursuant to the terms of the Development, Financing Participation, Waiver and Intergovernmental Agreement, dated November 19, 2015, and recorded on November 23, 2015, in the official records of Maricopa County, Arizona (the "County"), as Instrument No. 2015-0833434, and the terms and provisions of all applicable laws, ordinances, codes and rules. All interests in such Public Infrastructure financed by the District will be dedicated or otherwise transferred to the City after acceptance. Additional portions of public infrastructure, as contemplated by the District's formational documents, may be constructed and will be subject to administrative approval by the District before such additional public infrastructure is eligible for funding from future bonds, if any.

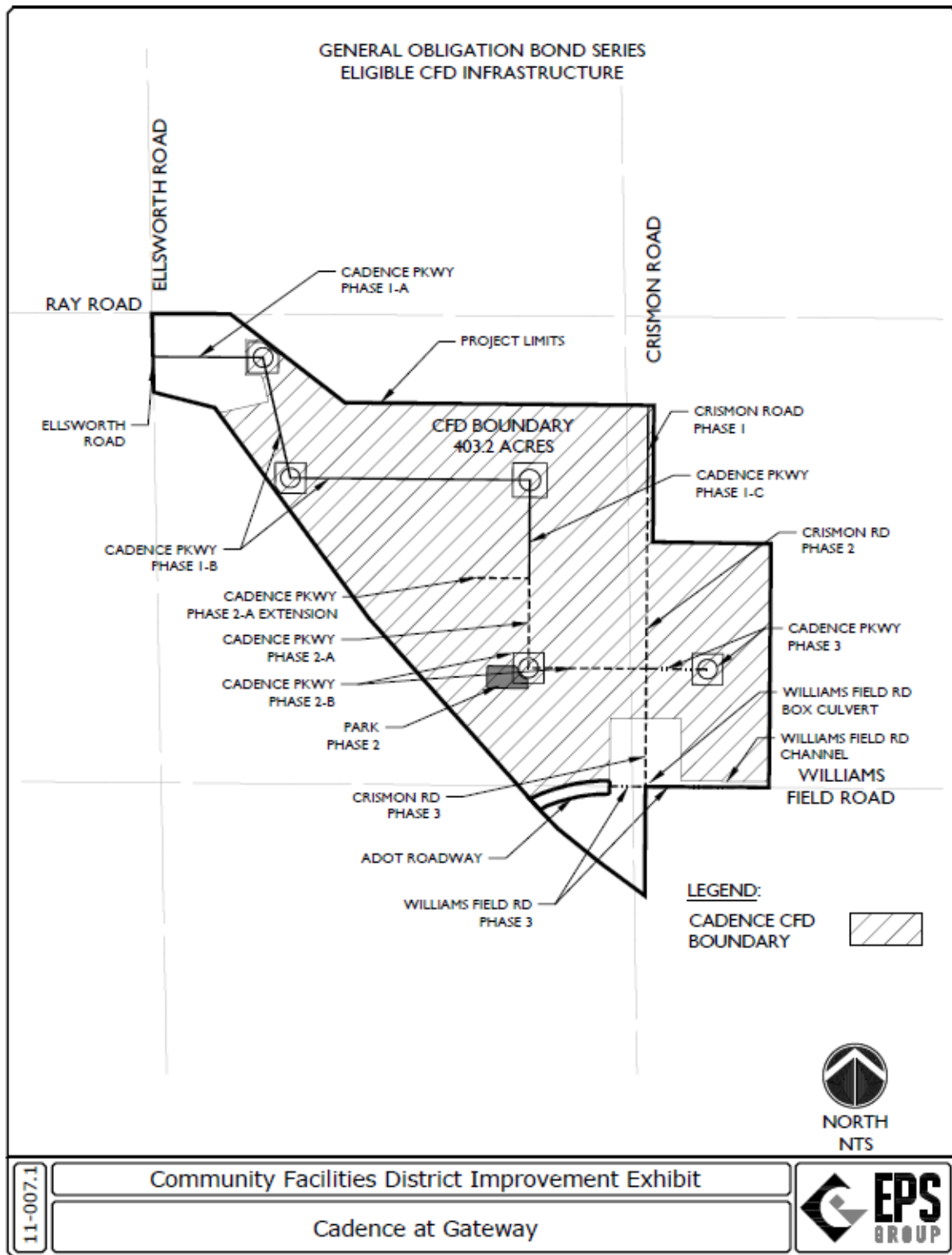
SECTION THREE

MAPS OF THE DISTRICT

The District



The Public Infrastructure in Context of the District



SECTION FOUR

PLAN OF FINANCE

PLAN OF FINANCE

Below is a financing plan that describes the process for financing a portion of the Public Infrastructure benefiting the property within the District. This Plan of Finance is subject to modification to accommodate market conditions at the time of the actual sale of the Bonds and to the extent necessary to comply with federal and State law.

(i) **Formation and Authorization.**

In response to a petition from the Developer, the City Council formed the District on November 12, 2015. On January 4, 2016, the Developer, by designation of the landowners in the District at the time, authorized at an election general obligation bonded debt in an amount not to exceed \$45,000,000 and will have an estimated \$30,730,000* of such amount remaining after issuance of the Bonds. Such remaining authorized but unissued amount is subject to further reduction based on the use of net premium on the general obligation bonds of the District. The District has previously sold its general obligation bonds in the aggregate original principal amount of \$9,011,000, of which \$8,370,000 is currently outstanding.

(ii) **Proposed Bond Sale.**

The District currently has \$8,370,000 of general obligation bonded debt outstanding. The estimated debt service schedule for the Bonds is attached in this section as Table One. It is anticipated that the Bonds will be sold in approximately February 2023 and delivered in March 2023. The amount shown on the cover of this Report is a not to exceed amount and the actual aggregate principal amount of the Bonds issued may be lower. It is currently estimated that the Bonds will have a final maturity of approximately 25 years and be structured to achieve declining aggregate debt service. The Bonds will likely be rated by a rating agency based on the expected purchase of a municipal bond insurance policy from an insurer.

(iii) **Estimated Sources and Uses of Funds.**

The proceeds of the Bonds will be applied by the District to finance all or a portion of the Public Infrastructure listed in Section Two of this Report. The estimated sources and uses of funds related to the sale of the Bonds are:

SOURCES*:

Principal Amount of Bonds	\$5,240,000.00
Total	<u>\$5,240,000.00</u>

USES*:

Cost of Public Infrastructure	\$5,015,975.75
Estimated Costs of Issuance	159,388.13
Bond Insurance Premium	64,636.12
Total	<u>\$5,240,000.00</u>

ESTIMATED COSTS OF ISSUANCE*

Underwriter's Discount	\$ 43,155.00
Underwriter's Counsel	30,000.00
Bond Counsel	37,500.00
Financial Advisor	35,000.00
Registrar & Paying Agent	500.00
Printing	850.00
Insured Rating	7,500.00
Miscellaneous	4,883.13
Total	<u>\$159,388.13</u>

* Preliminary, subject to change.

(iv) District Tax Rate and Homeowner's Property Tax Obligation.

All Public Infrastructure that may be acquired by the District with any proceeds of the Bonds will be dedicated to and accepted by the City. The obligations pertaining to the operation and maintenance of the Public Infrastructure have been negotiated between the City, the District and the Developer and are set forth in the various development agreements among the parties. The costs associated with the operation and maintenance of the Public Infrastructure, as well as the administrative costs, of the District will be provided by several sources of funds: A property tax levy of up to \$0.30 per \$100 of net assessed limited property value (the "O&M Tax"), Homeowner's Association ("HOA") contributions pursuant to the Community Maintenance Agreement by and between City of Mesa and Cadence Homeowner's Association, as assigned, to provide for a portion of the administrative, operation and maintenance expenses of the District and Developer contributions, if any.

The HOA is responsible for the operation and maintenance costs of landscaping for the roadways, trails, and open space within the District. All homeowners are required to participate in the HOA. Monthly fees for the HOA are anticipated to be approximately \$125 per homeowner.

In addition to the O&M Tax, the District will levy an *ad valorem* property tax to provide for debt service on bonds issued by the District, including the Bonds. Beginning in Fiscal Year 2022/23, the District will cause to be levied a combined *ad valorem* tax rate for each year the Bonds are outstanding in the amount of up to \$4.15 per \$100 of net assessed limited property value on all taxable property within the boundaries of the District. This tax rate includes a \$3.85 levy for debt service and a \$0.30 levy for the O&M Tax. This amount is a "target" tax rate. Any general obligation bonds of the District are, by law, to be paid from a property tax which is unlimited as to rate or amount.

At the \$4.15 target tax rate level, assuming the approximate average parcel Full Cash Value of \$352,347 and Net Assessed Limited Value of \$23,451, the District portion of a tax bill for a homeowner will be approximately \$81* per month or \$974* annually. A.R.S. Section 32-2181 et seq. requires the disclosure of all property taxes to be paid by a homeowner in the Arizona Department of Real Estate Subdivision Public Report (the "Public Report"). Prior to each initial home sale by a homebuilder, each homebuyer must be supplied the Public Report, and the homebuyer must acknowledge by signature that they have read and accepted the Public Report. In addition, each homebuyer will receive a form detailing the existence of the District, the tax rate and its financial impact and receipt of this form will be acknowledged in writing by the homebuyer, and a signed copy will be kept on file with the District Clerk.

(v) Other District Information.

Shown in the following tables are the District's overlapping general obligation bonded indebtedness including a breakdown of each overlapping jurisdiction's applicable general obligation bonded indebtedness, the portion of such indebtedness applicable to the District, a comparison of net assessed limited property values and tax rates per \$100 net assessed limited property value.

* The estimated tax liability is calculated from the *2022 August State Abstract*, Maricopa County Assessor's Office, <https://mcassessor.maricopa.gov/page/reports/>, accessed December 8, 2022, using the Owner Occupied Residential ("Class 3") data and the following formula:

$$(\text{Net Assessed Limited Property Value} \div \text{Number of Parcels}) \times (\text{the District's Secondary Tax Rate of } \$4.1500) \div 100$$

OVERLAPPING GENERAL OBLIGATION BONDED INDEBTEDNESS

Overlapping Jurisdiction	General Obligation Bonded Debt Outstanding (a)	Portion Applicable to The District (b)	
		Approximate Percentage	Net Debt Amount
State of Arizona	None	0.037%	None
Maricopa County	None	0.056	None
Maricopa County Community College District	\$135,585,000	0.056	\$ 76,406
Maricopa County Special Health Care District	600,335,000	0.056	335,977
East Valley Institute of Technology District No. 401	None	0.115	None
Queen Creek Unified School District No. 95	121,045,000	3.560	4,308,640
City of Mesa	318,950,000	0.687	2,189,611
The District	8,370,000	100.000	8,370,000 (c)
Total Direct and Overlapping General Obligation Bonded Debt Outstanding			<u>\$15,280,634</u>

- (a) Includes total general obligation bonds outstanding less redemption funds on hand. Does not include authorized but unissued general obligation bonds of such jurisdictions which may be issued in the future.

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"). CAP is a 336 mile long system of aqueducts, tunnels, pumping plants and pipelines which delivers water from the Colorado River to Maricopa, Pinal and Pima Counties in Arizona (including the City). The obligation to CAP is evidenced by a master contract between CAWCD and the Department of the Interior. In April of 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 have been 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 Report, the tax levy is limited to 14 cents per \$100 of net assessed limited property value, of which 14 cents is currently being levied. (See A.R.S., Sections 48-3715 and 48-3715.02.) There can be no assurance that such levy limit will not be increased or removed at any time during the life of the contract.

Does not include the obligation of the Maricopa County Flood Control District (the "County Flood Control District") to contribute \$70 to \$80 million to the CAP. The County Flood Control District's sole source of revenue to pay the contribution will be *ad valorem* taxes on real property and improvements.

- (b) Portion applicable to the District is computed on the ratio of the estimated net assessed limited property value as calculated for fiscal year 2022/23 for the overlapping jurisdiction to the amount of such valuation which lies within the District. 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.
- (c) Does not include the Bonds. Does not include special assessment revenue bonds outstanding or other special assessment revenue bonds expected to be issued by the District in the future.

Source: The various entities.

**DIRECT AND OVERLAPPING NET ASSESSED
LIMITED PROPERTY VALUE AND TOTAL TAX RATES**

Overlapping Jurisdiction	2022/23 Net Assessed Limited Property Value	2022/23 Combined Tax Rate Per \$100 of Net Assessed Limited Property Value (a)(b)
State of Arizona	\$78,405,598,978	None
Maricopa County	51,575,018,185	\$1.2473
Maricopa County Community College District	51,575,018,185	1.1894
Maricopa County Fire District Annual Levy	51,575,018,185	0.0082 (c)
Maricopa County Flood Control District	47,553,260,925	0.1592 (d)
Maricopa County Special Health Care District	51,932,898,351	0.2488
Maricopa County Library District	51,575,018,185	0.0505
Central Arizona Water Conservation District	51,932,898,351	0.1400 (e)
East Valley Institute of Technology District No. 401	25,369,201,769	0.0500
Queen Creek Unified School District No. 95	816,515,902	7.1705
City of Mesa	4,233,636,562	0.9157
The District	29,064,172	4.1500 (f)

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- (a) Represents the combined tax rate including the tax rate for debt service payments and the tax rate for all other purposes such as maintenance and operation and capital outlay.
- (b) All levies for library districts, hospital districts, fire districts, technology districts, water conservation districts and flood control districts are levied on the net full cash assessed value.
- (c) The County is mandated to levy a tax annually in support of fire districts in the County.
- (d) Does not include the personal property assessed valuation within the County.
- (e) Includes only the assessed valuation located within the County.
- (f) Includes the O&M Tax.

Source: *2022 August State Abstract*, Maricopa County Assessor's Office, *State and County Abstract of the Assessment Roll*, Arizona Department of Revenue and *Maricopa County 2022 Tax Levy*, Maricopa County – Finance Department.

The estimated net full cash value and the net assessed limited property value of taxable property within the boundaries of the District for the indicated tax years are shown in the table below:

PROPERTY VALUATIONS

Fiscal Year	Full Cash Value	Estimated Net Full Cash Value (a)	Net Assessed Limited Property Value
2022/23	\$466,458,571	\$443,339,671	\$29,064,172
2021/22	216,047,498	213,061,128	14,999,669
2020/21	166,130,813	163,379,185	11,840,785
2019/20	27,386,354	27,162,948	2,520,065
2018/19	5,835,318	5,817,818	541,547

(a) Full Cash Value net of the estimated value of property exempt from taxation.

Source: *State Abstract*, Maricopa County Assessor's Office (August dated file for each corresponding year).

TABLE ONE
ESTIMATED DEBT SERVICE SCHEDULE *

Period Ending (July 15)	Existing Debt Service	Principal*	Interest* (a)	Total Combined Debt Service Requirements* (b)
2023	\$418,813	\$ 360,000	\$106,474	\$885,286
2024	543,925	180,000	268,400	992,325
2025	540,075	185,000	258,500	983,575
2026	535,725	190,000	248,325	974,050
2027	531,225	195,000	237,875	964,100
2028	531,575	195,000	227,150	953,725
2029	526,475	205,000	216,425	947,900
2030	521,225	210,000	205,150	936,375
2031	525,875	205,000	193,600	924,475
2032	520,075	215,000	182,325	917,400
2033	513,575	220,000	170,500	904,075
2034	511,925	225,000	158,400	895,325
2035	509,775	230,000	146,025	885,800
2036	507,413	235,000	133,375	875,788
2037	501,438	245,000	120,450	866,888
2038	500,356	250,000	106,975	857,331
2039	498,956	255,000	93,225	847,181
2040	492,269	265,000	79,200	836,469
2041	490,394	275,000	64,625	830,019
2042	477,900	215,000	49,500	742,400
2043	460,488	160,000	37,675	658,163
2044	448,431	95,000	28,875	572,306
2045	431,600	40,000	23,650	495,250
2046		390,000	21,450	411,450
Total		<u>\$5,240,000</u>		

(a) Interest column reflects total interest payments for each Fiscal Year; interest will be paid semi-annually on January 15 and July 15 commencing on July 15, 2023*. Interest is estimated at 5.50%.

(b) Totals may not add due to rounding.

* Preliminary, subject to change.

Reviewed and accepted by:
PPGN Holdings, LLLP,
a Delaware limited liability limited partnership

By: HVI-Pacific, LLLP,
an Arizona limited liability limited partnership
Its General Partner

By: Harvard Ventures, Inc.,
a Nevada corporation,
Its General Partner

By: 

Name: Christopher J. Cacheris

Title: SVP

By: 

Name: Debbie Williams

Title: Asst. Treasurer

APPENDIX A

LEGAL DESCRIPTION FOR CADENCE COMMUNITY FACILITIES DISTRICT



**Legal Description
PPGN Community Facilities District**

Job No. 11-007

Revised May 4, 2015

A portion of the West half of Section 26, a portion of Section 27 and a portion of the Northeast Quarter of Section 34, Township 1 South, Range 7 East of the Gila and Salt River Meridian, Maricopa County, Arizona, more particularly described as follows:

COMMENCING at a brass cap in a hand hole at the Northwest corner of said Section 27, from which an aluminum cap at the North Quarter corner of said Section 27 bears S89°38'24"E (an assumed bearing) at a distance of 2,647.20 feet; thence S89°38'24"E, along the north line of the Northwest Quarter of said Section 27, for a distance of 876.83 feet; thence S52°18'39"E for a distance of 470.08 feet to the POINT OF BEGINNING;

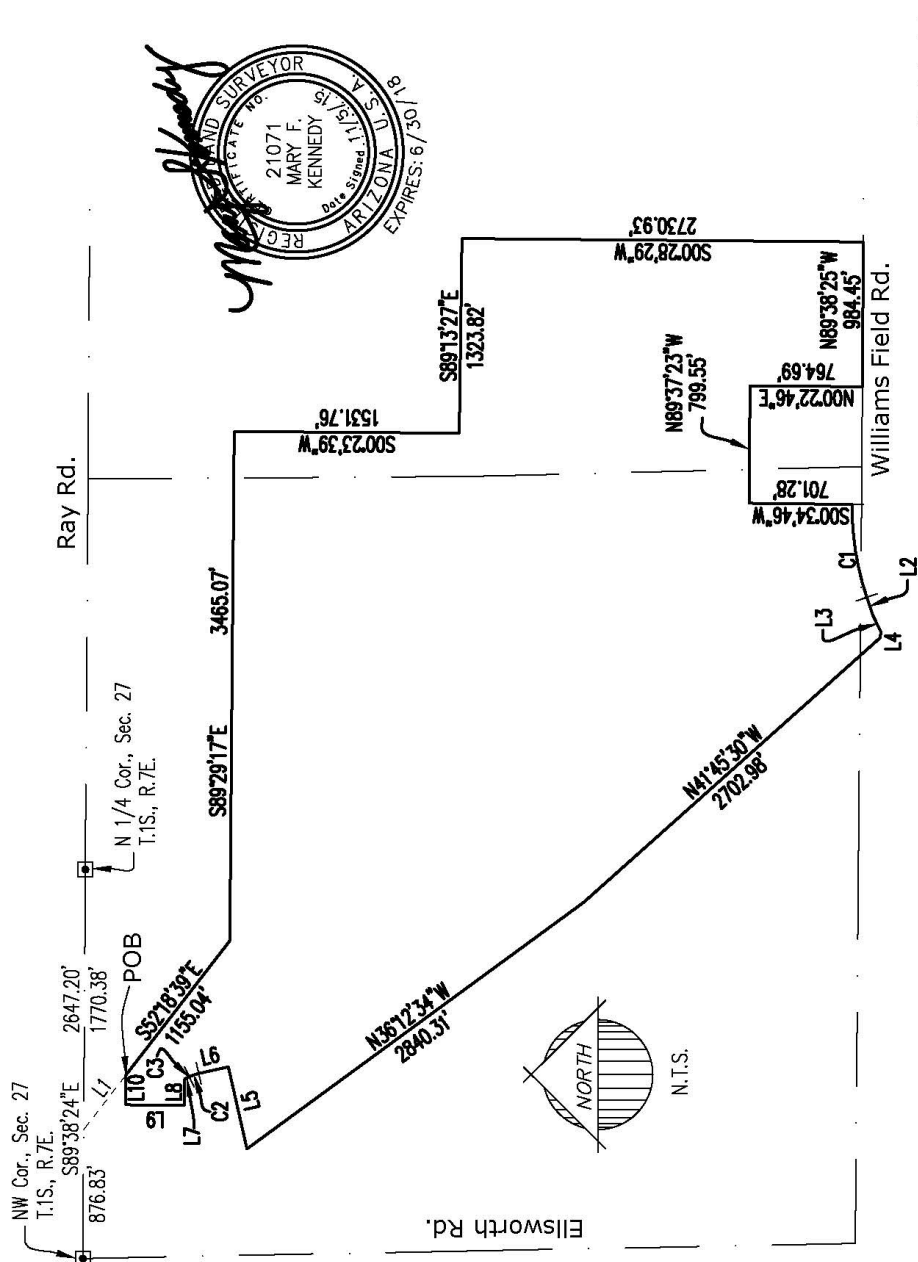
Thence continuing S52°18'39"E for a distance of 1,155.04 feet; thence S89°29'17"E for a distance of 3,465.07 feet; thence S00°23'39"W for a distance of 1,531.76 feet; thence S89°13'27"E for a distance of 1,323.82 feet; thence S00°28'29"W for a distance of 2,730.93 feet to the south line of the Southwest Quarter of said Section 26; thence N89°38'25"W, along said south line, for a distance of 984.45 feet; thence N00°22'46"E for a distance of 764.69 feet; thence N89°37'23"W for a distance of 799.55 feet; thence S00°34'46"W for a distance of 701.28 feet to a point on a non-tangent curve, concave to the south, the center of which bears S01°03'19"W at a distance of 1,861.15 feet; thence westerly, along the arc of said curve, through a central angle of 19°47'46", for a distance of 643.04 feet; thence S71°15'33"W, tangent to said curve, for a distance of 131.23 feet; thence S63°49'21"W for a distance of 125.36 feet; thence N80°12'55"W for a distance of 39.15 feet; thence N41°45'30"W for a distance of 2,702.98 feet; thence N36°12'34"W for a distance of 2,840.31 feet; thence N77°11'23"E for a distance of 572.68 feet; thence N12°48'37"W for a distance of 207.30 feet to the beginning of a curve, concave to the southwest, the center of which bears S77°11'23"W at a distance of 303.27 feet; thence northwesterly, along the arc of said curve, through a central angle of 12°45'57", for a distance of 67.57 feet to the beginning of a reverse curve, concave to the northeast, the center of which bears N64°25'26"E at a distance of 274.00 feet; thence northwesterly, along the arc of said curve, through a central angle of 01°01'32", for a distance of 4.90 feet; thence N24°33'03"W, tangent to said curve, for a distance of 29.44 feet; thence N89°38'24"W for a distance of 179.50 feet; thence N00°21'36"E for a distance of 400.00 feet; thence S89°38'24"E for a distance of 203.14 feet to the POINT OF BEGINNING.

An area containing 17,564,110 square feet or 403.2165 acres, more or less.



EPS Group, Inc. • 2045 S. Vineyard, Suite 101 • Mesa, AZ 85210
Tel (480) 503-2250 • Fax (480) 503-2258

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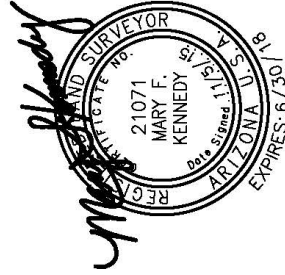
Sheet 1 of 2

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CURVE TABLE					
CURVE	RADIUS	LENGTH	TANGENT	DELTA	CHD BRG
C1	1861.15'	643.04'	324.76'	19°47'46"	S81°09'26"W
C2	303.27'	67.57'	33.93'	12°45'57"	N19°11'36"W
C3	274.00'	4.90'	2.45'	1°01'32"	S25°03'49"E

LINE TABLE		
LINE	BEARING	LENGTH
L1	S52°18'39"E	470.08'
L2	S71°15'33"W	131.23'
L3	S63°49'21"W	125.36'
L4	N80°12'55"W	39.15'
L5	N77°11'23"E	572.68'
L6	N12°48'37"W	207.30'
L7	N24°33'03"W	29.44'
L8	N89°38'24"W	179.50'
L9	N00°21'36"E	400.00'
L10	S89°38'24"E	203.14'



Sheet 2 of 2

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	Community Funded District (CFD)
Exhibit	

11-007