

Buyer(s): \_\_\_\_\_  
Parcel: \_\_\_\_\_ Lot: \_\_\_\_\_

***District Disclosure Document***  
***Verrado District 1 and Verrado Western Overlay Community Facilities Districts***

In accordance with requirements of the Town of Buckeye, the following disclosure is provided to each property buyer within Verrado.

The property you are purchasing is within the Verrado District 1 and Western Overlay Community Facilities District (individually a "District" and collectively, the "Districts"). The Districts were established by the property owners, DMB White Tank, LLC and Caterpillar Foundation, with the cooperation and approval of the Town of Buckeye, to finance the acquisition and construction of public infrastructure at Verrado. An election was held on August 7, 2001, at which the owners of property within the Districts entitled to vote thereon authorized the issuance of bonds to pay the cost of acquisition and construction of such public infrastructure and authorized a tax levy for operations and maintenance expenses of each District at a maximum rate of 30¢ per \$100 of secondary assessed valuation. The bonds will be paid from a general obligation property tax assessed against all property within the Districts. The bonds issued to date by the Verrado District 1 Community Facilities District have been structured with the expectation that a tax rate of \$3.00 per \$100 of secondary assessed valuation will be maintained and the bonds issued to date by the Verrado Western Overlay Community Facilities District have also been structured with the expectation that a tax rate of \$3.00 per \$100 of secondary assessed valuation will be maintained. However, under the law, there is no limit as to what the tax rates for the Districts might be. To the extent monies from the \$3.00 tax levy in each District are insufficient to provide for the debt service of the bonds issued by that District, DMB White Tank, LLC has agreed by contractual obligation to provide additional monies to maintain the \$3.00 tax rate in the Verrado District 1 Community Facilities District and to provide additional monies to maintain the \$3.00 tax rate in the Verrado Western Overlay Community Facilities District. Payment of each District's property taxes will be included as part of the property buyer's tax deductible property taxes. Assuming a total tax rate of \$6.60 (\$3.30 for each District) per \$100.00 of secondary assessed valuation corresponds to the following estimated annual tax payments.

<u>Market Value Of Home*</u>	<u>Estimated Annual District Tax**</u>
\$250,000	\$1,353
\$500,000	\$2,706
\$750,000	\$4,059
\$1,000,000	\$5,412

\* Secondary assessed valuation is generally less than the market value of the home.

\*\* District taxes are in addition to base property taxes imposed by the Town of Buckeye and other taxing authorities.

The attached information brochure provides additional information regarding the Districts. The CFD Manager, Town of Buckeye, can be contacted for further questions (623/386-4691).

Your signature below acknowledges that you have read the attached information brochure and the above disclosure prior to purchase of your property within Verrado.

Signature(s) of Buyer(s):

\_\_\_\_\_  
\_\_\_\_\_

Print Name(s) of Buyer(s):

\_\_\_\_\_  
\_\_\_\_\_

Date: \_\_\_\_\_, 200\_\_\_\_\_

Current Address of Buyer(s):

\_\_\_\_\_  
\_\_\_\_\_

Verrado Street Address:

\_\_\_\_\_  
Buckeye, Arizona \_\_\_\_\_