ALAMAR™

Community Facilities District

Background

Pursuant to the Arizona Community Facilities District Act of 1988, Arizona municipalities are authorized to form community facilities districts ("CFDs") in cooperation with private developers to finance the acquisition, construction, installation, operation and maintenance of public infrastructure improvements.

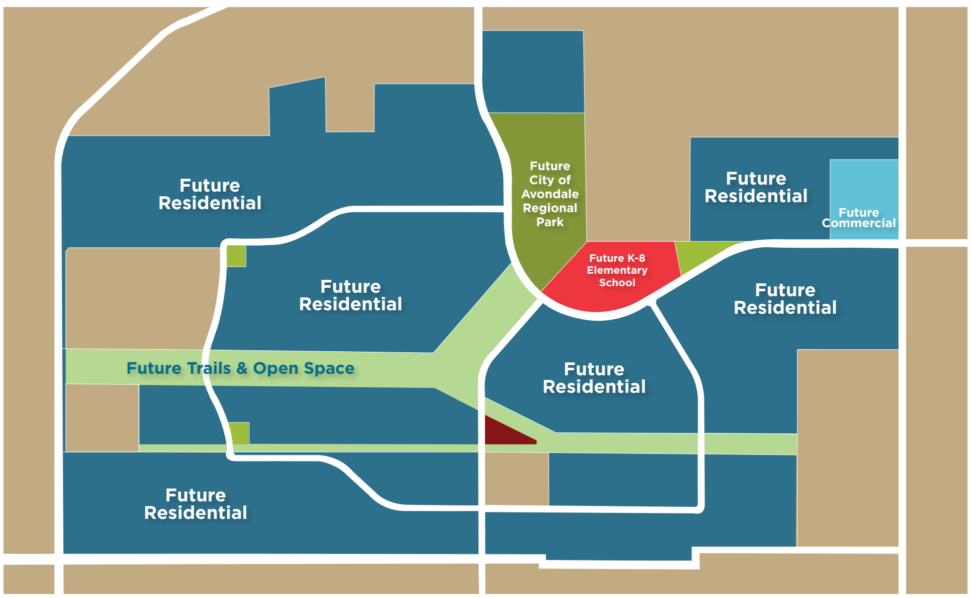
Alamar community facilities district

The Alamar Community Facilities District ("Alamar District") was established in 2018 in cooperation with the City of Avondale (the "City"), encompassing the approximately 1,130 acres of the master planned development known as "Alamar®." Alamar is being developed by Brookfield Lakin LLC (the "Developer").

The purpose of the Alamar District is to finance public infrastructure improvements ("CFD Improvements") benefiting property owners in Alamar. The CFD Improvements to be financed by the Alamar District include community amenities (parks and linear trails) and major roads and related facilities (landscaping, drainage, water and sewer). The Developer is required to provide all the land for the CFD Improvements and, upon completion, the CFD Improvements are dedicated or transferred to the City or other appropriate governmental entity.

Benefits to residents

The Alamar District has a beneficial impact on property owners within Alamar because the ability of the Alamar District to issue bonds and utilize bond proceeds allows the earlier construction of some CFD Improvements and, in other cases, facilitates the provision of amenities that otherwise might not be available.



Alamar Development Plan

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Community Facilities District

How the Alamar district works

Pursuant to a community facilities district development agreement among the Alamar District, the City and the Developer, an election was held on November 13, 2018, which authorized the Alamar District to issue and sell up to $70 million of general obligations bonds ("GO Bonds") over time. The GO Bond proceeds will be used to pay for CFD Improvements generally benefiting Alamar property owners (for example, parks, trails and major roadways).

GO Bonds are similar to promissory notes in that the bonds represent the Alamar District's promise to pay principal and interest on terms and conditions established in the bond offering documents. The primary security for payment is the Alamar District's pledge to levy the CFD debt service property tax ($3.85 per $100 of net limited property tax value) ("Debt Service Tax"). The Debt Service Tax is paid by all property owners in the Alamar District, including the Developer, and the proceeds are used to pay principal and interest on the GO Bonds. As of this publication, it is anticipated that the Alamar District may begin issuing GO Bonds and levy the Debt Service Tax on or about September 2021.

In addition to the Debt Service Tax, the Alamar District is authorized to and levies a CFD operations and maintenance property tax of $.30 per $100 of net limited property tax value (the "O/M Tax") to pay operation and maintenance costs of the Alamar District.

CFD property tax obligations

The obligation to repay the GO Bonds and share in certain of the operation and maintenance costs of the CFD, is the responsibility of all property owners in the Alamar District, through payment of the Debt Service Tax and the O/M Tax, which are in addition to the property taxes levied by other governmental entities.

You should take into account the Debt Service Tax and O/M Tax obligation, together with the benefits from the facilities and services for which they pay, in deciding whether to purchase property in Alamar.

The following illustrates the additional annual tax imposed by the Alamar District as of this publication, based on varying residential values within Alamar and a combined $4.15 Debt Service Tax and O/M Tax rate within the Alamar District:

Estimated annual additional tax liability*

MARKET VALUE OF RESIDENCE	DEBT SERVICE TAX / O/M TAX
$200,000	$541
$250,000	$677
$300,000	$812
$350,000	$947
$400,000	$1,082
$450,000	$1,218
$500,000	$1,353
$550,000	$1,488

***Assumptions:**

A. Improved residential property assessment ratio will remain at 10%

B. The estimated total ad valorem tax amount is computed by multiplying the $4.15 per $100 of assessed limited property value times the estimated limited tax rate of property value times the improved residential property assessment ratio. The actual limited property value is determined by the Maricopa County Assessor.

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