

DEPOSITORY TRUST AGREEMENT

This Depository Trust Agreement (this "*Agreement*") dated as of _____ 1, 2017, by and among the **ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT (CITY OF GOODYEAR, ARIZONA)** (the "*District*"), and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association authorized to do trust business in the State of Arizona, as trustee (the "*Trustee*") and **WELLS FARGO BANK, N.A.**, as trustee of the bonds being refunded (the "*Refunded Trustee*");

WITNESSETH:

WHEREAS, the following bonds of the District have been issued and are currently outstanding (the "*Bonds Being Refunded*");

| CUSIP (Base No. 29758A) | Issue (Dated Date) | Name of Issue | Original Principal Amount | Maturities Being Refunded (July 15) | Principal Amount Being Refunded | Redemption Date or Maturity | Redemption Price on Bonds Being Refunded (as a Percentage of Principal) |
|----------------------------------|--------------------------|--|---|--|---|-----------------------------------|---|
| AC4 AD2 AE0 | 09/14/05 | District General Obligation Bonds, Series 2005 (the " <i>Series 2005 Bonds Being Refunded</i> ") | \$1,120,000 1,010,000 1,660,000 | 2021 * 2025 * 2030 * | \$1,120,000 1,010,000 1,660,000 | ____/2017 | 100% 100 100 |
| AP5 AU4 AV2 AW0 | 12/06/07 | District General Obligation Bonds, Series 2007 (the " <i>Series 2007 Bonds Being Refunded</i> ") | \$ 380,000 2,230,000 2,925,000 4,735,000 | 2017 2022 * 2027 * 2032 * | \$ 380,000 2,230,000 2,925,000 4,735,000 | ____/2017 | 100% 100 100 |

*Term Bond

; and

WHEREAS, by a resolution adopted on January 9, 2017 (the "*Bond Resolution*"), the District has authorized the issuance, sale and delivery of \$_____ in aggregate principal amount of the District's District General Obligation Refunding Bonds, Series 2017 (the "*Bonds*"); and

WHEREAS, the Bonds were issued on _____, 2017 (the "*Closing Date*") to refund the Bonds Being Refunded; and

WHEREAS, the Bond Resolution authorizes and directs the District to enter into an irrevocable trust agreement with the Trustee for the safekeeping and handling of the moneys and securities to be held in trust to pay the Bonds Being Refunded; and

WHEREAS, the Trustee agrees to accept and administer the trust created hereby;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements hereinafter set forth it is hereby agreed as follows:

Section 1. Deposit With Trustee. Pursuant to this Agreement, the Trustee has received on the Closing Date for deposit to the account of the District the amount of \$_____:

| | |
|------------------------------|-----|
| Bond proceeds | \$ |
| Original Issue Premium | |
| Less: Underwriter's Discount | () |

| | |
|-------|----|
| TOTAL | \$ |
|-------|----|

The proceeds of the Bonds shall be applied as follows: (a) \$_____ shall be deposited in the hereinafter defined Trust Account and transferred to the Refunded Trustee to be applied to refund the Series 2005 Bonds Being Refunded on _____, 2017, (b) \$_____ shall be deposited in the hereinafter defined Trust Account and transferred to the Refunded Trustee to be applied to advance refund the Series 2007 Bonds Being Refunded on _____, 2017, and (c) \$_____ shall be deposited in the hereinafter defined Costs of Issuance Account and applied to pay certain costs of issuance of the Bonds.

Section 2. Trust Account. Excluding the \$_____ that shall be held by the Trustee in a Costs of Issuance Account separate from the Trust Account and used to pay costs of issuance, the Trustee shall hold the moneys so deposited, all investments made with such moneys and all earnings from investment and reinvestment of such moneys and all other moneys received by the Trustee hereunder in an irrevocable segregated and separate trust account separate from all other funds and investments deposited with the Trustee (the "*Trust Account*") for the sole and exclusive benefit of the holders of the Bonds Being Refunded until final payment thereof.

Section 3. Government Obligations. On the date of initial delivery of the Bonds, the Trustee shall invest the Trust Account in (a) obligations issued by or the principal of and interest on which are unconditionally guaranteed by the United States of America or (b) any of the senior debt of any of its agencies, sponsored agencies, corporations, sponsored corporations or instrumentalities, including, without limitation: (i) United States Treasury Obligations - State and Local Government Series; (ii) United States Treasury bills, notes and bonds, as traded on the open market; (iii) Zero Coupon United States Treasury Bonds; or (iv) shares in an investment management company that invests solely in obligations issued by or the principal of and interest on which are unconditionally guaranteed by the United States of America (the "*Government Obligations*") as follows: \$_____ of the proceeds of the Bonds shall be applied to create a portfolio of Government Obligations as described in *Exhibit A* hereto and \$_____ will be held uninvested as an initial cash balance in the Trust Account for the current and advance refunding of the Bonds Being Refunded.

The investment income from the Government Obligations shall be collected and received by the Trustee and credited to the Trust Account. The Trustee shall keep accurate records of such moneys, Government Obligations and investment earnings so as to permit the portfolio to be accounted for separately.

The Trustee shall not sell or redeem such Government Obligations in advance of their maturity dates except as provided in Section 5 hereof.

Section 4. **Code Provisions.** The parties recognize that amounts credited to the Trust Account and invested in the Government Obligations are, at the time of execution and delivery of this Agreement, subject to restrictions as to investment under the Internal Revenue Code of 1986, as amended (the "*Code*"), in order for the interest on the Bonds and the Bonds Being Refunded to be, or continue to be, excluded from gross income for purposes of calculating federal income taxes. In order to comply with such currently applicable restrictions, and subject to the provisions of Section 5 hereof, the following provisions shall apply with respect to reinvestment of amounts credited to the Trust Account:

(a) Amounts received as maturing principal of or interest on the Government Obligations credited to the portfolio prior to the date such amounts are to be used to pay principal of or interest on the Bonds Being Refunded and are not to be reinvested.

(b) Yields are to be calculated by means of an actuarial method of yield calculation whereby "yield" means the discount rate that, when used in computing the present value as of the date the investment is first allocated to the Bonds of all unconditionally payable receipts from the investment (using the same compounding intervals and financial conventions used to compute the yield on the Bonds), produces an amount equal to the present value of all unconditionally payable payments for the investments. The Trustee will not be responsible for the calculation of any yield.

(c) The purchase price of a Government Obligation used in determining its yield must be the market price of the Government Obligation on an established market. This means that a premium may not be paid to adjust the yield and that a lower interest rate than is usually paid may not be accepted. At the time of execution and delivery of this Agreement, if a Government Obligation cannot be purchased on an established market or a bona fide bid price cannot be established at a yield that does not exceed the yield restriction applicable to the moneys to be invested regarding the Government Obligations, investments are limited to United States Treasury Certificates of Indebtedness, Notes and Bonds--State and Local Government Series which yield no more than the restricted yield.

(d) Notwithstanding the foregoing, and subject to the terms of Section 5 hereof, any amounts held in the Trust Account and Government Obligations, respectively, may be invested in investments having any yield if the parties hereto receive an opinion in form and substance satisfactory to the District of bond counsel experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds to the effect that such investment will not cause any of the Bonds or the Bonds Being Refunded to become arbitrage bonds within the meaning of Section 148 of the Code, and will not otherwise cause the interest on the Bonds or the Bonds Being Refunded to become included as gross income for purposes of calculating federal income taxes.

(e) Amounts received from reinvestment of maturing principal of and interest on Government Obligations prior to the date such amounts are to be used to make payments on the Bonds Being Refunded pursuant to this Section 4 and which are not needed to provide for payments on the Bonds Being Refunded may be withdrawn from the Trust Account by the District and returned to the District.

(f) The District waived its ability to invest certain portions of the Government Obligations without restriction pursuant to Section 148 of the Code.

Section 5. **Investment Instructions.** The Trustee may sell or redeem Trust Account investments in advance of their maturity dates and invest the proceeds thereof or redemption or other moneys credited to the Trust Account in Government Obligations only upon receipt by the Trustee of written instructions from the District Chair or District Treasurer to do so, and receipt by the parties hereto of:

(a) An opinion in form and substance satisfactory to the District of bond counsel selected by the District experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds to the effect that such action will not cause the interest on the Bonds Being Refunded or the Bonds to be included in gross income for federal income tax purposes and will not cause the Bonds Being Refunded or the Bonds to become "arbitrage bonds" within the meaning of Section 148 of the Code, and will not adversely affect the right of the District to issue obligations the interest on which is excluded from gross income for federal income tax purposes; and

(b) A report from a nationally recognized certified public accountant or firm of accountants selected by the District verifying the accuracy of the arithmetic computations of the adequacy of the proceeds from the liquidation together with any other moneys and the maturing principal of and interest on any Government Obligations to be credited to the Trust Account in accordance with the District's instructions, to pay, when due, the principal of and interest on the Bonds Being Refunded as the same becomes due at maturity or upon prior redemption.

Upon any such sale or redemption of investments and reinvestment any amounts not needed in the Trust Account to provide for payment of the Bonds Being Refunded, as shown by the accountant's report, may be withdrawn from the Trust Account by the District and returned to the District.

(c) The parties hereto acknowledge and agree that on the date the Bonds are issued and delivered against payment therefor (the "*Delivery Date*"), the Trustee is to receive the Government Obligations referred to above in Section 3 and *Exhibit A*. If the Trustee shall not receive any of the obligations (the "*Failed Escrow Securities*"), the Trustee shall accept, as temporary substitutes cash or, at the same purchase price, other Government Obligations ("*Substitute Escrow Securities*") the payments on which are scheduled to provide, as determined by an independent certified public accountant, along with such cash, at least the same amounts of moneys on or before the same dates as the Failed Escrow Securities for which they are substituted. (The Trustee may rely upon a report of an independent firm of certified public accountants that the condition in the preceding sentence is satisfied.) If Substitute Escrow Securities are delivered, thereafter, upon delivery to the Trustee of Failed Escrow Securities, together with any amounts paid thereon subsequent to the Delivery Date, the Trustee shall return an amount of such cash and Substitute Escrow Securities, and any amount paid thereon subsequent to the Delivery Date, corresponding to the Failed Escrow Securities which the Substitute Escrow Securities replaced.

Section 6. **Moneys Not Invested.** Any Trust Account moneys which are not at any time invested in Government Obligations shall be held uninvested.

Section 7. **Timely Payments.** The Trustee shall make timely payments from the Trust Account to the Refunded Trustee in the amounts and on the dates sufficient to pay principal and interest coming due on each series of the Bonds Being Refunded. Unless otherwise directed by the

District Treasurer in order to determine the amounts and the dates on which principal and interest is due on each series of the Bonds Being Refunded, the Trustee may rely upon the debt service schedules with respect to each series of the Bonds Being Refunded as such debt service scheduling appear in the verification report prepared by Grant Thornton LLP, certified public accountants, in connection with the issuance of the Bonds.

Section 8. **Notices.** (a) The District hereby irrevocably instructs the Trustee and the Refunded Trustee that amounts due on the Series 2005 Bonds Being Refunded shall be transferred by the Trustee to the Refunded Trustee from the Trust Account on _____, 2017 and applied by the Refunded Trustee to refund the Series 2005 Bonds Being Refunded on such date. The Refunded Trustee shall mail a notice of refunding of the Series 2005 Bonds Being Refunded in substantially the form attached hereto as Exhibit B-1 to all registered owners of the Series 2005 Bonds Being Refunded and to the Municipal Securities Rulemaking Board (the "MSRB"), currently through the MSRB's Electronic Municipal Market Access system ("EMMA").

(b) The District hereby irrevocably instructs the Trustee and the Refunded Trustee that amounts due on the Series 2007 Bonds Being Refunded shall be transferred by the Trustee to the Refunded Trustee from the Trust Account on _____, 2017 and applied by the Refunded Trustee to refund the Series 2007 Bonds Being Refunded on such date. The Refunded Trustee shall mail a notice of advance refunding of the Series 2007 Bonds Being Refunded in substantially the form attached hereto as Exhibit B-2 to all registered owners of the Series 2007 Bonds Being Refunded and to the MSRB, currently through EMMA.

(c) Not more than sixty nor less than thirty days prior to _____, 2017, the District hereby irrevocably instructs the Refunded Trustee to mail to the owners of the Series 2005 Bonds Being Refunded and the MSRB, currently through EMMA, the notice of redemption in substantially the form of Exhibit C-1 hereto.

(d) Not more than sixty nor less than thirty days prior to _____, 2017, the District hereby irrevocably instructs the Refunded Trustee to mail to the owners of the Series 2007 Bonds Being Refunded and the MSRB, currently through EMMA, the notice of redemption in substantially the form of Exhibit C-2 hereto.

(e) The District agrees to pay the expenses of the Refunded Trustee in giving all notices required hereunder pursuant to the trust indentures relative to the Bonds Being Refunded. The Trustee shall not have any liability to any party in connection with any failure to timely file such notices of refunding and optional redemption with the MSRB via EMMA and the sole remedy available shall be an action by the holders of the Bonds Being Refunded in mandamus for specific performance or similar remedy to compel performance.

Section 9. **Insufficient Funds.** If at any time or times there are insufficient funds on hand in the Trust Account to pay the principal of and interest on the Bonds Being Refunded as the same becomes due, as such debt service schedule appears in the Verification Report prepared by Grant Thornton LLP and dated _____, 2017, or for the payment of the fees and expenses of the Trustee or the Refunded Trustee, the Trustee or the Refunded Trustee shall promptly notify the District of such deficiency. The Trustee and the Refunded Trustee shall have no liability for any such deficiency.

Section 10. **Reports.** On each January 15 and July 15, or as shortly thereafter as practicable, during the term hereof until January 15, 20__, the Trustee shall submit to the District a report covering all moneys it has received and all payments it has made under the provisions during the six-month period ending on the preceding June 30 and December 31 (except for the first such report, due July 15, 2017, which will cover the period commencing with the date on which the Bonds were issued to and including July 14, 2017). Such report shall also list all investments and moneys on deposit with the Trustee hereunder as of the date of the report.

Section 11. **Transfer Upon Full Payment.** When all amounts payable on the Bonds Being Refunded have become due, as such debt service schedule appears in the Verification Report prepared by Grant Thornton LLP and dated _____, 2017, and the Trustee has transferred to the Refunded Trustee all moneys necessary for the payment of such amounts, and in any event on the business day preceding the date on which the last of the Bonds Being Refunded matures or is to be redeemed on _____, 2017, the Trustee shall transfer all moneys and investments credited to the Trust Account not required for payment of principal and interest with respect to the Bonds Being Refunded to the District Treasurer for the District's benefit.

Section 12. **Agreement Irrevocable.** The parties recognize that the owners of the Bonds Being Refunded have a beneficial vested interest in the moneys and investments held in the Trust Account hereunder and that the Bonds will be delivered to and accepted by the owners thereof in reliance upon the irrevocable character of the trust so created. Therefore, this Depository Trust Agreement shall not be revoked, and shall not be amended in any manner which may adversely affect the rights herein sought to be protected, until the provisions hereof have been fully carried out.

Section 13. **Non-Liability.** The Trustee shall be under no obligation to inquire into or be otherwise responsible for the performance or nonperformance by any paying agent for the Bonds Being Refunded of any of its obligations or to protect any of the rights of the District under any of the proceedings with respect to the Bonds Being Refunded or the Bonds. The Trustee shall not be liable for any act done or step taken or omitted by it or for any mistake of fact or law or for anything which it may do or refrain from doing except for its negligence or its default in the performance of any obligation imposed upon it hereunder. The Trustee shall not be liable or responsible for any loss resulting from any investment made pursuant hereto in compliance with the provisions hereof.

Section 14. **Trustee Fees.** For services hereunder, the Trustee shall be entitled to the Trustee's fees set forth in Exhibit D, attached hereto and incorporated herein by reference, such fees being due upon the initial deposit of moneys with the Trustee and representing payment of the Trustee's initial fee and prepayment of the annual Trustee's fees for services hereunder during the term hereof. The Trustee shall not create or permit to be created any lien on moneys in the Trust Account for the failure to pay any such fees. The Trustee shall be reimbursed for all out of pocket costs.

Section 15. **Audit.** The District shall have the right to audit the books, records and accounts of the Trustee insofar as they pertain to the trust created hereunder.

Section 16. **Costs of Issuance.** The Trustee is hereby authorized and directed to pay, solely from moneys deposited with the Trustee for the purpose of paying the costs of issuance (\$_____), the costs and expenses as set forth in Exhibit D hereto (the "*Costs of Issuance Account*"). Amounts deposited with the Trustee for such purpose shall be held in the Costs of Issuance Account and not invested. Any amounts remaining on _____, 2017, the date six

(6) months following the date the Bonds are issued shall be transferred to the District and deposited to the Bond Fund and used to pay interest on the Bonds on the next succeeding interest payment date.

Section 17. **Assignment; Merger.** Neither this Depository Trust Agreement nor the trust created hereunder may be assigned by the Trustee without the prior written consent of the District unless the Trustee is required by law to divest itself of its interest in its trust department or unless the Trustee sells or otherwise assigns all or substantially all of its corporate trust business in which event the trust shall be continued by the Trustee's successor in interest.

Any corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any corporation succeeding to all or substantially all of the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such corporation, association or agency shall be otherwise qualified and eligible under this Section 17, without the execution or filing of any paper or any further act on the part of any of the parties hereto. The Trustee, at any time prior to the first anniversary of the date hereof, may assign and transfer by written agreement all property, rights, interests, powers, duties and obligations of the Trustee as established hereunder, to a bank or trust company that is duly qualified to conduct trust business, and has a corporate office in Phoenix, Arizona, that is under common corporate control with the Trustee and that otherwise satisfies the qualification requirements hereunder for successor Trustees. Upon such assignment and transfer, the transferee bank or trust company shall become successor Trustee and receive, accept and hold all property, rights, interests, powers, duties and obligations thereof without further actions or approvals of any other person.

Section 18. **Trustee Responsibility.** In the event the Trustee is required or permitted hereby, or is requested hereunder, to take any action (or refrain from taking any action) as the Trustee, the performance (or nonperformance) of which would, in the Trustee's sole judgment, subject the Trustee to unreasonable risk of liability or expense, the Trustee shall have no duty to take (or refrain from taking) any such action until the Trustee has been furnished with indemnity adequate, in its sole judgment, to protect the Trustee, its directors, officers, employees, agents and attorneys for, from and against such liability or expense, and all reasonable costs and expenses (including reasonable attorneys' fees) in connection therewith, or until its duty as to any such action (or inaction) shall have been finally adjudicated by a court of competent jurisdiction and all applicable periods in which to appeal or seek appellate review have expired.

To the extent permitted by law, the District will indemnify and hold the Trustee, its directors, officers, employees, agents and attorneys harmless for, from and against any loss, liability, judgment or expense (including reasonable attorneys' fees) arising from the Trustee's performance of its obligations hereunder except any such loss, liability, judgment or expense resulting from the successful allegation of the Trustee's negligence or willful misconduct or breach of trust. The rights of the Trustee to such indemnification shall survive the termination of this Depository Trust Agreement or the earlier resignation or removal of the Trustee.

The Trustee may consult with independent counsel, chosen by it with reasonable care, and shall not be liable for action taken or not taken in good faith in reliance upon the written advice or opinion of such counsel. The Trustee shall not be liable for the accuracy of any calculations provided by others to it under this Depository Trust Agreement as to the sufficiency of the moneys or Government Obligations deposited with it to pay the principal of and interest on the Bonds Being Refunded at the respective maturities or earlier redemption of the Bonds Being Refunded.

Furthermore, the Trustee may conclusively rely in good faith as to the truth, accuracy and correctness of, and shall be protected and indemnified in acting or refraining from acting upon, any written opinion, calculation, notice, instruction, request, certificate, document or opinion furnished to the Trustee in accordance herewith and signed or presented by the proper party pursuant hereto and it need not investigate the truth or accuracy of any fact or matter stated in such opinion, calculation, notice, instruction, request, certificate or opinion.

The Trustee at any time may resign and be discharged of the duties and obligations created hereby. If the Trustee resigns, or is dissolved, liquidated or in the process of being dissolved or liquidated or otherwise becomes incapable of acting hereunder, or is taken under the control of any public officer or officers or of a receiver appointed by a court, a successor Trustee may be appointed. No resignation or removal may become effective until a successor Trustee shall have been appointed. In the event that no appointment of a successor Trustee occurs within sixty (60) days, the holder of any of the Bonds Being Refunded or the retiring Trustee may apply to any court of competent jurisdiction for the appointment of a successor Trustee acceptable to the District, and such court may thereupon, after such notice as it shall deem proper, appoint a successor Trustee acceptable to the District. Any successor Trustee appointed under this Depository Trust Agreement shall execute, acknowledge and deliver to its predecessor and the District an instrument in writing accepting such appointment and, thereupon, such successor Trustee, without any further act, deed or conveyance, shall become fully vested with all rights, estates, powers, trusts, duties and obligations of its predecessor; but, such predecessor shall, nevertheless, on the written request of such successor Trustee, execute, acknowledge and deliver an instrument transferring to such successor Trustee all of the estates, properties, rights, powers and trusts of such predecessor hereunder; and every predecessor Trustee shall deliver all securities and moneys held by it to the successor Trustee.

Section 19. Severability. If any section, paragraph, subdivision, sentence, clause or phrase hereof shall for any reason be held illegal or unenforceable, such decision shall not affect the validity of the remaining portions hereof. The parties hereby declare that they would have executed this Depository Trust Agreement and each and every other section, paragraph, subdivision, sentence, clause and phrase hereof, irrespective of the fact that any one or more sections, paragraphs, subdivisions, sentences, clauses or phrases hereof may be held to be illegal, invalid or unenforceable. If any provision hereof contains an ambiguity which may be construed as either valid or invalid, the valid construction shall be adopted.

Section 20. Applicable Laws. This Depository Trust Agreement shall be governed exclusively by the provisions hereof and by the applicable laws of the State of Arizona. This Depository Trust Agreement expresses the entire understanding and all agreements of the parties hereto with each other with respect to the subject matter hereof and no party hereto has made or shall be bound by any agreement or any representation to any other party which is not expressly set forth herein.

Section 21. Counterparts. This Depository Trust Agreement may be executed in several counterparts, each of which shall be an original, but all of which together shall constitute but one instrument.

Section 22. Conflict of Interest. The District hereby gives notice to the Trustee and the Refunded Trustee that Arizona Revised Statutes, Section 38-511, as amended, provides that the State of Arizona, its political subdivisions or any department or agency of either, may within three (3) years after execution thereof cancel any contract without penalty or further obligation, made

by the State of Arizona, its political subdivisions or any department or agency of either, if any person significantly involved in initiating, negotiating, securing, drafting or creating such agreements on behalf of the State of Arizona, its political subdivisions or any department or agency of either, is at any time while such contract or any extension thereof is in effect, an employee or agent of any other party to the contract in any capacity or a consultant to any other party to the contract with respect to the subject matter of the contract.

Section 23. E-verify Requirements. To the extent applicable under Arizona Revised Statutes, Section 41-4401, the Trustee, the Refunded Trustee and their respective subcontractors warrant compliance with all federal immigration laws and regulations that relate to their employees and compliance with the E-verify requirements under Arizona Revised Statutes, Section 23-214(A). The Trustee's, the Refunded Trustee's or their respective subcontractor's breach of the above-mentioned warranty shall be deemed a material breach of this Depository Trust Agreement and may result in the termination of the Depository Trust Agreement by the District. The District retains the legal right to randomly inspect the papers and records of the Trustee, the Refunded Trustee and their subcontractors who work on the Depository Trust Agreement to ensure that the Trustee and its subcontractors are complying with the above-mentioned warranty.

The Trustee, the Refunded Trustee and their respective subcontractors warrant to keep the papers and records open for random inspection by the District during the Trustee's normal business hours. The Trustee, the Refunded Trustee and their respective subcontractors shall cooperate with the District's random inspections including granting the District entry rights onto its property to perform the random inspections and waiving their respective rights to keep such papers and records confidential.

Section 24. No Boycott of Israel. Pursuant to A.R.S. §35-393 et seq., the Trustee and the Refunded Trustee certify they are not currently engaged in, and for the duration of this Agreement will not engage in, a boycott of Israel. The term "boycott" has the meaning set forth in A.R.S. §35-393.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the day and year first above written.

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

By _____
District Treasurer

U.S. BANK NATIONAL ASSOCIATION, as
Trustee

By _____
Title: _____

**ACKNOWLEDGED AND AGREED FOR
PURPOSES OF SECTIONS 8, 9, 22, 23 AND 24
HEREOF:**

Wells Fargo Bank, N.A., as the Refunded
Trustee

EXHIBIT A

GOVERNMENT OBLIGATIONS

Government Obligations to be acquired with proceeds of the Bonds in the amount of \$_____. \$_____ shall be held uninvested as an initial cash balance to the Trust Account for the refunding of the Bonds Being Refunded.

| Security <u>Type</u> | Maturity <u>Date</u> | <u>Par Amount</u> | Coupon <u>Rate</u> | Total <u>Cost</u> |
|-------------------------|-------------------------|-------------------|-----------------------|----------------------|
|-------------------------|-------------------------|-------------------|-----------------------|----------------------|

EXHIBIT B-1

NOTICE OF REFUNDING

**ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
DISTRICT GENERAL OBLIGATION
BONDS, SERIES 2005**

| CUSIP (Base No. <u>29758A</u>) | (Dated Date) | Name of Issue | Original Principal Amount | Maturities Being Refunded (July 15) | Principal Amount Being Refunded | Maturity or Redemption Date | Redemption Price on Bonds Being Refunded (as a Percentage of Principal) |
|--|-----------------|-----------------------------|---------------------------------|--|--|--------------------------------------|---|
| AC4 | 09/14/05 | District General Obligation | \$1,120,000 | 2021 | \$1,120,000 | | 100% |
| AD2 | | Bonds, Series 2005 | 1,010,000 | 2025 | 1,010,000 | | |
| AE0 | | | 1,660,000 | 2030 | 1,660,000 | | |

Such bonds are hereinafter referred to as the "Bonds Being Refunded".

Notice is hereby given that the Bonds Being Refunded have been refunded prior to maturity and that an irrevocable trust has been established and funded with obligations issued by or guaranteed by the United States of America in order to provide for the payment of the Bonds Being Refunded.

The Bonds Being Refunded will be paid on the dates and in the amounts (plus interest accrued thereon to the redemption date), as set forth above.

The Refunded Trustee shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness indicated in this notice of refunding or on any bond.

WELLS FARGO BANK, N.A., as Refunded Trustee

By _____

THIS IS NOT A REDEMPTION NOTICE

The Refunded Trustee shall cause a notice of refunding of the Bonds Being Refunded to be sent via telecopy or other electronic means to the Depository Trust Company, and to the Municipal Securities Rulemaking Board (the "MSRB"), by the method required by the MSRB, currently through the Electronic Municipal Market Access system.

EXHIBIT B-2

NOTICE OF ADVANCE REFUNDING

**ESTRELLA MOUNTAIN RANCH COMMUNITY FACILITIES DISTRICT
(CITY OF GOODYEAR, ARIZONA)
DISTRICT GENERAL OBLIGATION
BONDS, SERIES 2007**

| CUSIP (Base No. 29758A) | (Dated Date) | Name of Issue | Original Principal Amount | Maturities Being Refunded (July 15) | Principal Amount Being Refunded | Redemption Date | Redemption Price on Bonds Being Refunded (as a Percentage of Principal) |
|----------------------------------|-----------------|-----------------------------|---------------------------------|--|--|--------------------|---|
| AP5 | 12/06/07 | District General Obligation | \$ 380,000 | 2017 | \$ 380,000 | | |
| AU4 | | Bonds, Series 2007 | 2,230,000 | 2022 | 2,230,000 | | |
| AV2 | | | 2,925,000 | 2027 | 2,925,000 | | |
| AW0 | | | 4,735,000 | 2032 | 4,735,000 | | |

Such bonds are hereinafter referred to as the "Bonds Being Refunded".

Notice is hereby given that the Bonds Being Refunded have been refunded prior to maturity and that an irrevocable trust has been established and funded with obligations issued by or guaranteed by the United States of America in order to provide for the payment of the Bonds Being Refunded.

The Bonds Being Refunded will be paid on the dates and in the amounts (plus interest accrued thereon to the redemption date), as set forth above.

The Refunded Trustee shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness indicated in this notice of refunding or on any bond.

WELLS FARGO BANK, N.A., as Refunded Trustee

By_____

THIS IS NOT A REDEMPTION NOTICE

The Refunded Trustee shall cause a notice of refunding of the Bonds Being Refunded to be sent via telecopy or other electronic means to the Depository Trust Company, and to the Municipal Securities Rulemaking Board (the "MSRB"), by the method required by the MSRB, currently through the Electronic Municipal Market Access system.

EXHIBIT C-1

NOTICE OF REDEMPTION
of the following obligations:

Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona), District General Obligation Bonds, Series 2005, dated September 14, 2005, maturing July 15, 2021, July 15, 2025 and July 15, 2030.

Notice is hereby given that \$_____ in the below-described aggregate principal amounts of the above-referenced bonds outstanding have been called for redemption and will be redeemed on December 1, 2016. The maturity dates and amounts of the bonds to be redeemed are as follows:

| CUSIP (29758A) | Maturity Date (July 15) | Coupon | Principal Amount Outstanding | Principal Amount Refunded | Redemption Date | Redemption Price (as a Percentage of Principal) |
|-------------------|-------------------------------|--------|------------------------------------|---------------------------------|--------------------|--|
| AC4 | 2021 | 5.450% | \$1,120,000 | \$1,120,000 | | 100% |
| AD2 | 2025 | 5.625 | 1,010,000 | 1,010,000 | | 100 |
| AE0 | 2030 | 5.800 | 1,660,000 | 1,660,000 | | 100 |

Owners of the above-described bonds called for redemption are notified to present the same at the corporate trust office of Wells Fargo Bank, N.A. (the "Refunded Trustee"), on or after the date set for redemption, where redemption will be made by payment of the face amount of each such bond plus accrued interest to the date set for redemption. All bonds so called for redemption must be surrendered and no interest will be paid on the above-described bonds from and after the redemption date.

The Refunded Trustee shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness indicated in this redemption notice or on any bond.

DATED: _____

WELLS FARGO BANK, N.A., as Refunded
Trustee

By _____

The following is not part of this notice:

The Refunded Trustee shall cause a notice of redemption to be mailed to the registered owner of each bond to be redeemed at the address shown on the registration book maintained by the Refunded Trustee. Additionally, the Refunded Trustee shall cause a notice of any such redemption to be sent to the Municipal Securities Rulemaking Board (the "MSRB") by the method required by the MSRB, currently through the Electronic Municipal Market Access system.

EXHIBIT C-2

NOTICE OF REDEMPTION
of the following obligations:

Estrella Mountain Ranch Community Facilities District (City of Goodyear, Arizona), District General Obligation Bonds, Series 2007, dated December 6, 2007, maturing July 15, 2017, July 15, 2022, July 15, 2027 and July 15, 2032.

Notice is hereby given that \$_____ in the below-described aggregate principal amounts of the above-referenced bonds outstanding have been called for redemption and will be redeemed on July 15, 2017. The maturity dates and amounts of the bonds to be redeemed are as follows:

| CUSIP | Maturity Date | Coupon | Principal Amount Outstanding | Principal Amount Refunded | Redemption Date | Redemption Price (as a Percentage of Principal) |
|-----------------|------------------|--------|------------------------------|---------------------------|------------------|---|
| <u>(29758A)</u> | <u>(July 15)</u> | | | | <u>(July 15)</u> | |
| AP5 | 2017 | 5.450% | \$ 380,000 | \$ 380,000 | 2017 | 100% |
| AU4 | 2022 | 5.900 | 2,230,000 | 2,230,000 | | 100 |
| AV2 | 2027 | 6.125 | 2,925,000 | 2,925,000 | | 100 |
| AW0 | 2032 | 6.200 | 4,735,000 | 4,735,000 | | 100 |

Owners of the above-described bonds called for redemption are notified to present the same at the corporate trust office of Wells Fargo Bank, N.A. (the "Refunded Trustee"), on or after the date set for redemption, where redemption will be made by payment of the face amount of each such bond plus accrued interest to the date set for redemption. All bonds so called for redemption must be surrendered and no interest will be paid on the above-described bonds from and after the redemption date.

The Refunded Trustee shall not be responsible for the selection or use of the CUSIP numbers, nor is any representation made as to its correctness indicated in this redemption notice or on any bond.

DATED: _____

WELLS FARGO BANK, N.A., as Refunded
Trustee

By _____

The following is not part of this notice:

The Refunded Trustee shall cause a notice of redemption to be mailed to the registered owner of each bond to be redeemed at the address shown on the registration book maintained by the Refunded Trustee. Additionally, the Refunded Trustee shall cause a notice of any such redemption to be sent to the Municipal Securities Rulemaking Board (the "MSRB") by the method required by the MSRB, currently through the Electronic Municipal Market Access system.

EXHIBIT D

EXPENSES

Upon the District's prior receipt and approval of invoices, the following expenses are to be paid by the Trustee from Bond Proceeds deposited with the Trustee for that purpose:

| | |
|---|----|
| Bond Counsel's Fee and Costs (1) | \$ |
| Official Statement Printing and Preparation (2) | |
| Trustee, Bond Registrar and Paying Agent (3) | |
| Refunded Trustee (4) | |
| CPA Verification (5) | |
| Financial Advisor (6) | |
| Miscellaneous | |

| | |
|---------------|-----------|
| TOTAL: | \$ |
|---------------|-----------|

- (1) Gust Rosenfeld P.L.C.
- (2) [[Wold Printing Services]]
- (3) U.S. Bank National Association
- (4) Wells Fargo Bank, N.A.
- (5) Grant Thornton, LLP
- (6) FirstSouthwest, a Division of Hilltop Securities Inc.