

PETITION FOR ADOPTION OF A RESOLUTION  
ORDERING AND DECLARING  
FORMATION OF  
RANCHO SAHUARITA COMMUNITY FACILITIES DISTRICT

STATE OF ARIZONA            )  
COUNTY OF PIMA            ) ss.  
TOWN OF SAHUARITA         )

THE UNDERSIGNED OWNERS (hereinafter referred to as, collectively, "Petitioner") OF ALL OF THE REAL PROPERTY hereinafter described by metes and bounds, acting pursuant to the provisions of Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (hereinafter referred to as the "Act"), respectfully petitions The Honorable Common Council of the Town of Sahuarita, Arizona (hereinafter referred to as the "Municipality"), to adopt a resolution (hereinafter referred to as the "Resolution") declaring and ordering formation of a community facilities district (hereinafter referred to as the "District") and would respectfully request the following with respect thereto:

I.

The name of the District to be "Rancho Sahuarita Community Facilities District,"

II.

The District to be formed and exist pursuant to the terms and provisions of the Act as such terms and provisions are modified, waived or restricted pursuant to agreements to be entered into by and among Petitioner, the Municipality and the District,

III.

The District to contain an area of approximately 943 acres of land, more or less, wholly within the corporate boundaries of the Municipality and to be composed of the land included in the parcels described by metes and bounds as provided in the Exhibit hereto, which is made a part hereof for all purposes,

IV.

The District to be a special purpose district for purposes of Article IX, Section 19, Constitution of Arizona, a tax levying public improvement district for the purposes of Article XIII, Section 7, Constitution of Arizona, and a municipal corporation for all purposes of Title 35, Chapter 3, Articles 3, 3.1, 3.2, 4 and 5, Arizona Revised Statutes, as amended; except as otherwise provided in the Act, to be considered a municipal corporation and political subdivision of the State of Arizona, separate and apart from the Municipality; and to be formed for, and to have, all the purposes of a "district" as such term is defined, and as provided, in the Act,

V.

The formation of the District to result in the levy of *ad valorem* property taxes to pay costs of improvements constructed by the District and for their operation and maintenance,

VI.

Before the Resolution is adopted, the Clerk of the Municipality to accept the filing of a "general plan" (as such term is defined in the Act and hereinafter referred to as the "General Plan")

for the District setting out a general description of the improvements for which the District is proposed to be formed and the general areas to be improved, and

VII.

The Municipality to determine that public convenience and necessity require the adoption of the Resolution;

WHEREFORE, Petitioner attests and declares that on the date hereof, as shown on the assessment roll for State and county taxes in Pima County, Arizona, all of the land to be in the District is owned by Petitioner or, if a person listed on such assessment roll is no longer the owner of land in the District, that the name of the successor owner has become known and has been verified by recorded deed or other similar evidence of transfer of ownership to be Petitioner; that there currently are no residents on the land to be in the District and there shall be no residents within fifty (50) days preceding the first anticipated election for the District; that the land to be included in the District shall be benefited from the improvements for which the District is proposed to be formed; that the District shall be formed and exist pursuant to the terms and provisions of the Act as such terms and provisions are modified, waived or restricted pursuant to agreements to be entered into by and among Petitioner, the Municipality and the District; that public convenience and necessity require the adoption of the Resolution; and that the Municipality shall in no way be liable for the payment of any of the costs of the public infrastructure described in the General Plan, nor liable for any liability, debt or obligation of the District;

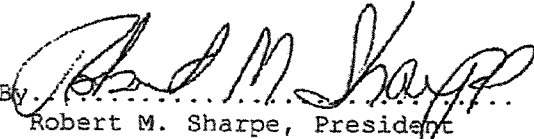
WHEREFORE, as this Petition is signed by the owners of all the land to be in the District and there are not now, and shall not be within fifty (50) days preceding the first anticipated election of the District, residents on the land in the District, any requirements of posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with adoption of the Resolution are waived, and the Municipality may, on receipt of this Petition, adopt the Resolution to declare the District formed without being required to comply with such provisions for posting, publication, mailing, notice, hearing or election; and

WHEREFORE, Petitioner respectfully prays that this Petition be properly filed as provided by law; that the Municipality adopt the Resolution and declare and order the District formed without being required to comply with the provisions for posting, publication, mailing, notice, hearing and election otherwise required by the Act in connection with the Resolution; and that such other orders, acts, procedure and relief as are proper, necessary and appropriate to the purposes of organizing the District and to the execution of the purposes for which the District shall be organized be granted as The Honorable Common Council of the Municipality shall deem proper and necessary.

RESPECTFULLY SUBMITTED this 24th day of March, 2014.

INTERCHANGE OPPORTUNITY FUND, LLLP, an Arizona limited liability limited partnership

By: Sharpe & Associates, Inc., an Arizona corporation, its General Partner

By:   
Robert M. Sharpe, President

RANCHO SAHUARITA MANAGEMENT COMPANY, LLC, an Arizona limited liability company

By: MKS Equitas Investment Group Ltd., an Arizona corporation, as member

By.....  
Fred Lewis, President

FIDELITY NATIONAL TITLE AGENCY, INC., an Arizona corporation as Trustee under Trust No. 30007 and not in its corporate capacity

By.....  
Trust Officer

RESPECTFULLY SUBMITTED this 24th day of March, 2014.

INTERCHANGE OPPORTUNITY FUND, LLLP, an  
Arizona limited liability limited  
partnership

By: Sharpe & Associates, Inc., an  
Arizona corporation, its General  
Partner

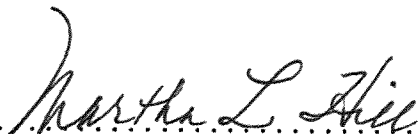
By.....  
Robert M. Sharpe, President

RANCHO SAHUARITA MANAGEMENT COMPANY,  
LLC, an Arizona limited liability  
company

By: MKS Equitas Investment Group  
Ltd., an Arizona corporation, as  
member

By.....  
Fred Lewis, President

FIDELITY NATIONAL TITLE AGENCY, INC.,  
an Arizona corporation as Trustee  
under Trust No. 30007 and not in its  
corporate capacity

By...  .....  
Trust Officer

RESPECTFULLY SUBMITTED this 24th day of March, 2014.

INTERCHANGE OPPORTUNITY FUND, LLLP, an  
Arizona limited liability limited  
partnership

By: Sharpe & Associates, Inc., an  
Arizona corporation, its General  
Partner

By.....  
Robert M. Sharpe, President

RANCHO SAHUARITA MANAGEMENT COMPANY,  
LLC, an Arizona limited liability  
company

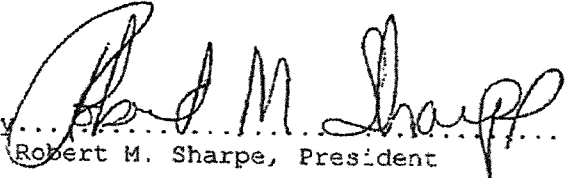
By: MKS Equitas Investment Group  
Ltd., an Arizona corporation, as  
member

By.....  
Fred Lewis, President

FIDELITY NATIONAL TITLE AGENCY, INC.,  
an Arizona corporation as Trustee  
under Trust No. 30007 and not in its  
corporate capacity

By.....  
Trust Officer

Approved by Interchange Opportunity Fund, LLLP, Sharpe & Associates, Inc., General Partner, Beneficiary Under Trust 30007

By.....  
  
Robert M. Sharpe, President

TITLE SECURITY AGENCY OF ARIZONA, an Arizona corporation, as Trustee under Trust No. 2069 and not in its corporate capacity

By.....  
Trust Officer

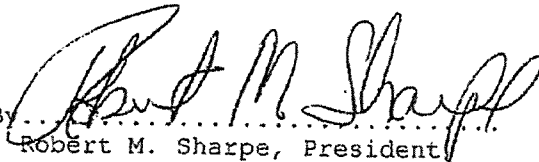
Approved by RSMC VI, L.L.C., an Arizona limited liability company, Beneficiary under Trust 2069

By: MKS Equitas Investment Group, Ltd., an Arizona corporation, as member

By.....  
Fred Lewis, President

INTERCHANGE OPPORTUNITY FUND, LLLP, an Arizona limited liability limited partnership

By: Sharpe & Associates, Inc., an Arizona corporation, its General Partner

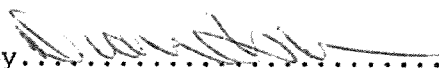
By.....  
  
Robert M. Sharpe, President



Approved by Interchange Opportunity Fund, LLLP, Sharpe & Associates, Inc., General Partner, Beneficiary Under Trust 30007

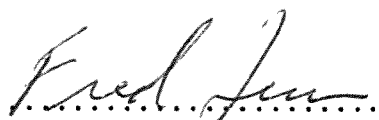
By.....  
Robert M. Sharpe, President

TITLE SECURITY AGENCY OF ARIZONA, an Arizona corporation, as Trustee under Trust No. 2069 and not in its corporate capacity

  
By.....  
Diane L. Sloane, as Trust Officer

Approved by RSMC VI, L.L.C., an Arizona limited liability company, Beneficiary under Trust 2069

By: MKS Equitas Investment Group, Ltd., an Arizona corporation, as member

  
By.....  
Fred Lewis, President

INTERCHANGE OPPORTUNITY FUND, LLLP, an Arizona limited liability limited partnership

By: Sharpe & Associates, Inc., an Arizona corporation, its General Partner

By.....  
Robert M. Sharpe, President

RANCHO SAHUARITA XX, LLC, an Arizona limited liability company

By: Sharpe & Associates., Inc., an Arizona corporation, its member

By.....  
Robert M. Sharpe, President

LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, LLC, an Arizona limited liability company, as Trustee under Trust No. 18336-T and not in its corporate capacity

Approved by RSMC VI, L.L.C., an Arizona limited liability company, Beneficiary under Trust 18336-T

By: MKS Equitas Investment Group, Ltd., an Arizona corporation as member

By.....  
Fred Lewis, President

REAY'S RRANCH INVESTORS, L.L.C., an Arizona limited liability company

By: Thurland Reay Family Investment Company, an Arizona corporation, its Manager


By.....  
Gordon M. Reay, President

RANCHO SAHUARITA XX, LLC, an Arizona limited liability company

By: Sharpe & Associates., Inc., an Arizona corporation, its member


By.....  
Robert M. Sharpe, President

LANDMARK TITLE ASSURANCE AGENCY OF ARIZONA, LLC, an Arizona limited liability company, as Trustee under Trust No. 18336-T and not in its corporate capacity

By:   
Joyce M. Rodda, Trust Officer

Approved by RSMC VI, L.L.C., an Arizona limited liability company, Beneficiary under Trust 18336-T

By: MKS Equitas Investment Group, Ltd., an Arizona corporation as member

By.....  
  
Fred Lewis, President

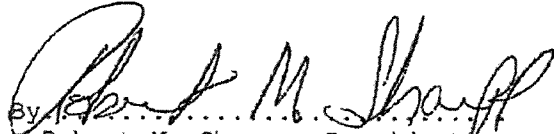
REAY'S RRANCH INVESTORS, L.L.C., an Arizona limited liability company

By: Thurland Reay Family Investment Company, an Arizona corporation, its Manager

By.....  
Gordon M. Reay, President

SAHUARITA WATER COMPANY, an Arizona limited liability company

By: Sharpe & Associates, Inc., an Arizona corporation, Manager

  
by .....  
Robert M. Sharpe, President

ATTACHMENT:

EXHIBIT - Legal Description Of Property To Be Included In The District

SAHUARITA WATER COMPANY, an Arizona  
limited liability company

By: Sharpe & Associates, Inc., an  
Arizona corporation, Manager

By.....  
Robert M. Sharpe, President

ATTACHMENT:

EXHIBIT - Legal Description Of Property To Be Included In The  
District