

RESOLUTION NO. 25-29

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF APACHE JUNCTION, ARIZONA, APPROVING AND AUTHORIZING THE EXECUTION AND DELIVERY OF A SECOND AMENDMENT TO AMENDED AND RESTATED DISTRICT DEVELOPMENT, FINANCING PARTICIPATION, WAIVER AND INTERGOVERNMENTAL AGREEMENT FOR SUPERSTITION VISTAS COMMUNITY FACILITIES DISTRICT NO. 2, AND AUTHORIZING OTHER ACTIONS IN FURTHERANCE OF THIS RESOLUTION WHETHER HERETOFORE OR HEREAFTER TAKEN

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF APACHE JUNCTION, ARIZONA, AS FOLLOWS:

SECTION I FINDINGS

The mayor and city council hereby make the following findings:

A. On September 9, 2021, there was presented to us, the governing body of the City of Apache Junction, Arizona, (hereinafter referred to as the "City"), a Petition for Formation and Petition for Adoption of Resolutions Ordering and Declaring Formation of Superstition Vistas Community Facilities District No. 2, signed by the entities which, on the date thereof, were the "owners" of all real property as shown on the assessment roll for state and county taxes for Pinal County, Arizona, being D.R. Horton, Inc. (hereinafter called the "D.R. Horton") and the Arizona State Land Department, in Superstition Vistas Community Facilities District No. 2 (hereinafter referred to as the "District"), the formation of which was requested by such petitioner in such petition, pursuant to Title 48, Chapter 4, Article 6, Arizona Revised Statutes, as amended (the "Act").

B. By Resolution No. 21-46, adopted on October 5, 2021 (the "Resolution"), by the mayor and city council of the City, the District was formed as a community facilities district pursuant to the terms and provisions of, and with the powers and authority established by, the Act.

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C. Pursuant to the Act and Section 9-500.05, Arizona Revised Statutes, in connection with formation of the District, the City, the District and D.R. Horton entered into that certain District Development, Financing Participation, Waiver and Intergovernmental Agreement, dated as of February 22, 2022 (the "Original CFD Development Agreement"), and recorded as Fee No. 2022-021690 in the official records of Pinal County, Arizona, to specify, among other things, conditions, terms, restrictions and requirements for "public infrastructure" (as such term is defined in the Act) and the financing of public infrastructure.

D. Pursuant to Section 10.3 of the Original CFD Development Agreement, D.R. Horton desired to assign its rights, title, interest, duties, obligations and liabilities as Developer (as defined in the Original CFD Development Agreement) under the Original CFD Development Agreement to Brookfield Homes Holdings, LLC ("Brookfield Homes").

E. D.R. Horton and Brookfield Homes executed and delivered that certain Assignment and Assumption of District Development, Financing Participation, Waiver and Intergovernmental Agreement (Superstition Vistas Community Facilities District No. 2), dated as of March 14, 2022 (the "Assignment to Brookfield Homes"), and recorded as Fee No. 2022-087119 in the official records of Pinal County, Arizona, whereby D.R. Horton assigned, and Brookfield Homes assumed, the role of Developer under the Original CFD Development Agreement, and the City and the District consented to such Assignment to Brookfield Homes.

F. Brookfield Homes subsequently desired to assign its rights, title, interest, duties, obligations and liabilities as Developer to Brookfield ASLD 8500, LLC ("Brookfield ASLD 8500"), in accordance with Section 10.3 of the Original CFD Development Agreement, provided that Brookfield Homes would retain certain duties, obligations and liabilities under the Original CFD Development Agreement as a guarantor and indemnitor.

G. In order to consummate the assignment of the Developer role to, and the assumption thereof by, Brookfield ASLD 8500 and in order to delineate the duties, obligations and liabilities of Brookfield Homes, the City, the District, Brookfield ASLD 8500 and Brookfield Homes executed and delivered that certain Amended and

Restated District Development, Financing Participation, Waiver and Intergovernmental Agreement for Superstition Vistas Community Facilities District No. 2, dated as of October 10, 2022, and recorded in the official records of Pinal County as Fee No. 2022-106816 (the "CFD Development Agreement"). The City's execution and delivery of the CFD Development Agreement was approved and authorized by Resolution No. 22-35 adopted by the mayor and council of the City on September 6, 2022.

H. All owners of land within the District thereafter signed a petition, and the City consented to such petition, which was submitted to the Board of Directors of the District requesting the deletion of an area from the boundaries of the District pursuant to Sections 48-707F and 48-714, Arizona Revised Statutes. In connection with the deletion of an area from the District boundaries, Brookfield Homes and Brookfield ASLD 8500 requested the execution and delivery of the First Amendment to Amended and Restated District Development, Financing Participation, Waiver and Intergovernmental Agreement, dated as of January 25, 2024 (the "First Amendment to CFD Development Agreement"), and such amendment was consented and agreed to by the City and the District, and the First Amendment to CFD Development Agreement was recorded as Fee No. 2024-100195 in the official records of Pinal County.

I. Following a corporate realignment of, and additional equity investment in, Brookfield ASLD 8500, Brookfield Homes now desires to assign its duties, obligations, and liabilities as a guarantor and indemnitor to Brookfield Communities US Holdings LLC ("Brookfield Communities") and Sekisui House US Holdings, LLC (together with Brookfield Communities, the "Indemnitor Parties"), in accordance with Section 10.3 of the CFD Development Agreement and pursuant to a Second Amendment to Amended and Restated District Development, Financing Participation, Waiver and Intergovernmental Agreement (the "Second Amendment to CFD Development Agreement"), in substantially the form now on file with the clerk of the City. Following the execution and delivery of the Second Amendment to CFD Development Agreement, the Indemnitor Parties will jointly and severally be parties to the CFD Development Agreement as investors, guarantors, and indemnitors but not as developers.

SECTION II AUTHORIZATION AND APPROVAL OF SECOND AMENDMENT TO CFD
DEVELOPMENT AGREEMENT

The Second Amendment to CFD Development Agreement is hereby approved in substantially the form submitted herewith, with such changes, additions, deletions, insertions and omissions, if any, as the mayor of the City, with the advice of the manager of the City and the city attorney of the City, shall authorize, and the execution and delivery of the Second Amendment to CFD Development Agreement shall be conclusive evidence of the propriety of such document and the authority of the person or persons executing the same. The mayor of the City, with the advice of the manager of the City and the city attorney of the City, is hereby authorized and directed to execute, and the clerk of the City to attest and deliver, the Second Amendment to CFD Development Agreement on behalf of the City.

SECTION III RATIFICATION AND AUTHORIZATION

A. Resolution No. 21-46, Resolution No. 22-35, Resolution No. 23-40, Resolution No. 24-34, Resolution No. 24-42 and all things done arising therefrom are hereby ratified and confirmed in all other respects notwithstanding the execution and delivery of the Second Amendment to CFD Development Agreement.

B. All actions of the mayor and council of the City, the manager of the City, the clerk of the City, the finance director of the City, and the City attorney of the City, or the designees of any of them, whether heretofore or hereafter taken, in furtherance of this resolution and pertaining to the replacement of Brookfield Homes with the Indemnitor Parties, are hereby ratified, confirmed, authorized and approved.

SECTION IV NO LIABILITY OF OR FOR THE CITY

Neither the City nor the State of Arizona or any political subdivision of either (other than the District) shall be directly, indirectly or morally liable or obligated for the costs of the public infrastructure contemplated by the CFD Development Agreement, as amended by the First Amendment to CFD Development Agreement and the Second Amendment to CFD Development Agreement, for the District nor for the payment or repayment of any

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indebtedness, liability, cost, expense or obligation of the District, and neither the credit nor the taxing power of the City, the State of Arizona or any political subdivision of either (other than the District) shall be pledged therefor.

SECTION V EFFECT OF RESOLUTION

A. If any section, paragraph, clause or provision of this resolution shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such section, paragraph, clause or provision shall not affect any remaining provisions of this resolution. The mayor and council of the City hereby declare that they would have adopted this resolution and each and every other section, paragraph, clause or provision hereof and authorized the replacement of Brookfield Homes with the Indemnitor Parties pursuant hereto irrespective of the fact that any one or more sections, paragraphs, clauses or provisions may be held to be invalid, illegal or unenforceable.

B. All resolutions or parts thereof inconsistent herewith are hereby waived to the extent only of such inconsistency.

[Signature page to follow.]

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY
OF APACHE JUNCTION, ARIZONA, THIS 21ST DAY OF OCTOBER, 2025.

SIGNED AND ATTESTED TO THIS _____ DAY OF _____, 2025.

WALTER "CHIP" WILSON
Mayor

ATTEST:

EVIE MCKINNEY
City Clerk

APPROVED AS TO FORM:

 10.15.25

RICHARD JOEL STERN
City Attorney