

EXHIBIT E

FORM OF DISCLOSURE STATEMENT

MONTERRA HEIGHTS COMMUNITY FACILITIES DISTRICT

DISCLOSURE STATEMENT

_____, an _____ company (the "Developer"), in conjunction with the Town of Florence, Arizona (the "Town"), have established a community facilities district ("CFD") at the development known as "Monterra Heights." The CFD has financed and, in the future, will finance certain public infrastructure improvements, which will result in a property tax liability and a separate special assessment lien liability for each property owner of Monterra Heights resulting from being in the CFD.

BACKGROUND

On September 30, 1988, the Arizona Community Facilities District Act became effective. This provision in State law was created to allow Arizona municipalities to form CFDs for the primary purpose of financing the acquisition, construction, installation, operation and/or maintenance of public infrastructure improvements, including water and sewer improvements.

HOW THE CFD WORKS

On _____, 200____, the Mayor and Council of the Town formed the CFD which includes all of the residential and commercial property in _____. An election was held on _____, 2003, at which time the owners of the property within the CFD voted to authorize up to \$____,000,000 of *ad valorem* tax bonds to be issued over time by the CFD to finance the acquisition or construction of _____ improvements. The proceeds of separate special assessment lien bonds will be used to finance acquisition or construction of _____ improvements. Such improvements have been or will be dedicated to the Town after acquisition or construction of such public infrastructure by the District. The Town will operate and maintain such improvements.

WHAT WILL BE FINANCED?

The CFD has been established to finance up to \$____,000,000 in public infrastructure improvements within _____ including financing costs related to such improvements. The initial bond issue is expected to be approximately \$____,000. The proceeds of this bond issue is currently expected to be utilized to finance the engineering, design and construction of _____. In addition, it is anticipated that