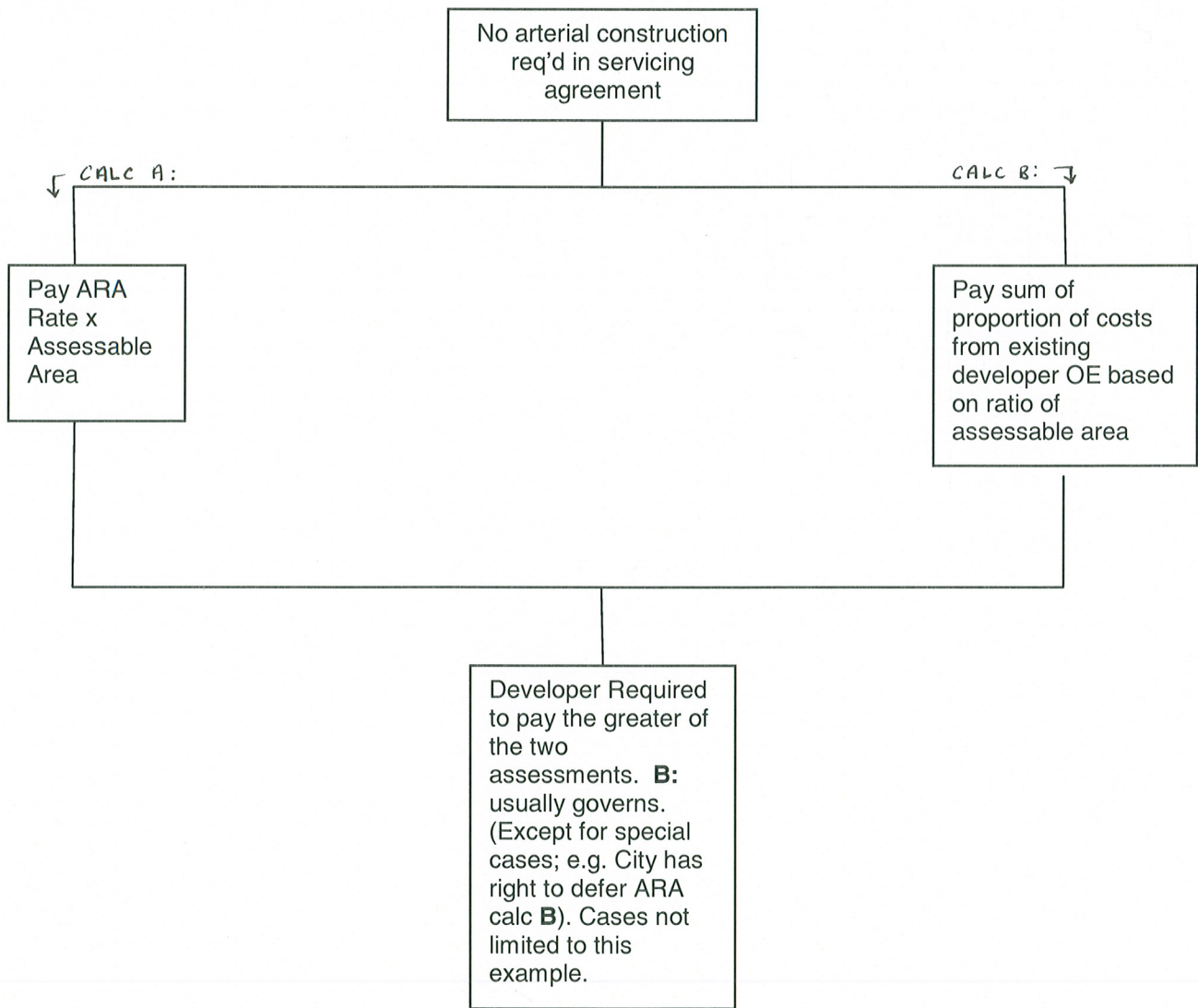


ARA's must be paid if development is within an ARA Basin (whether or not arterial roads are required to be constructed as a requirement within the servicing agreement).

OE = Assessment Payable (Contribution to Previous Developers' OE or ARA Rate * Assessable Area) + Estimated Construction Costs (Including Land Dedication Costs) – ARA amount

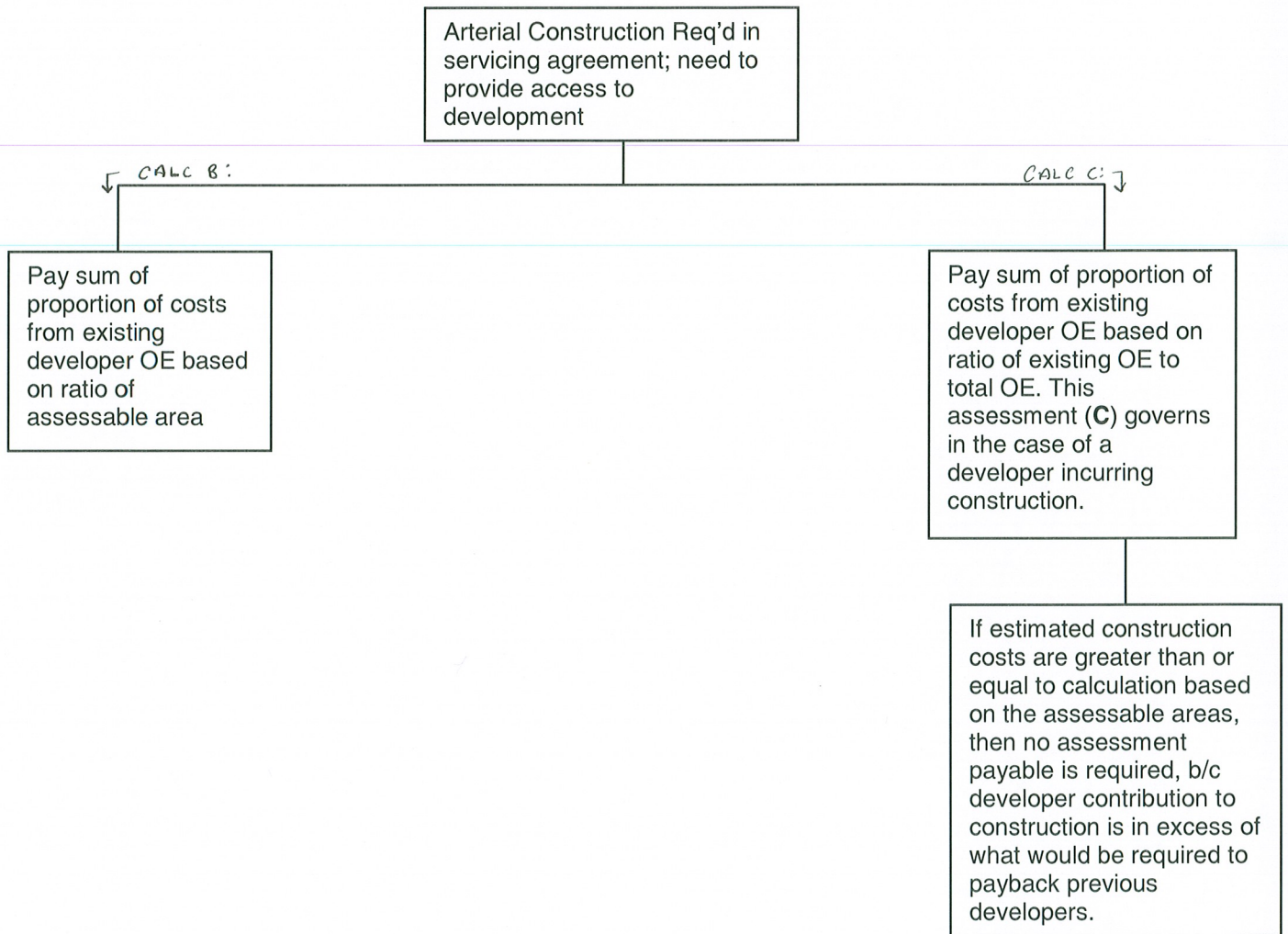
Assessment Payable: (2 Streams)

Stream 1:



Recovery OE = Assessment + Construction Costs (Would be Zero) – ARA amount

Stream 2:



$$\text{Recovery OE} = \text{Assessment} + \text{Construction Costs} - \text{ARA amount}$$