

# PRELIMINARY LIMITED OFFERING MEMORANDUM DATED MARCH 7, 2023

## NEW ISSUE - BOOK-ENTRY ONLY LIMITED OFFERING

NOT RATED

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2023 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2023 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code") on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2023 Bonds is not excluded from the determination of adjusted financial statement income. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2023 Bonds. Bond Counsel is further of the opinion that the Series 2023 Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" herein.

## VERANO #4 COMMUNITY DEVELOPMENT DISTRICT (CITY OF PORT ST. LUCIE, FLORIDA)

\$5,480,000\*

### Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area)

Dated: Date of Delivery

Due: As set forth below.

The Verano #4 Community Development District Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area) (the "Series 2023 Bonds") are being issued by the Verano #4 Community Development District (the "Issuer" or "District #4") only in fully registered form, without coupons, in denominations of \$5,000 and any integral multiple thereof except as otherwise provided in the hereinafter defined Indentures.

The Issuer is a local unit of special purpose government of the State of Florida, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 05-21 of the City Council of the City of Port St. Lucie, Florida (the "City"), enacted on April 25, 2005, as amended by Ordinance No. 06-11 of the City Council of the City, enacted on February 13, 2006, which changed the name of the Issuer and by Ordinance No. 21-49 of the City Council of the City, enacted on June 14, 2021, which amended the boundaries of the Issuer. The Issuer is contiguous with or in close proximity to five other community development districts (each a "Verano District" and together the "Other Districts," and collectively with the Issuer, the "Districts"). The Districts were created for the purpose of delivering certain community development services and facilities for the benefit of the development known as Verano (the "Master Development") located within the boundaries of the Districts, and the Districts have determined to undertake in one or more stages the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of the Master Development (the "Public Infrastructure").

The Series 2023 Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing November 1, 2023. The Series 2023 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2023 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Series 2023 Bonds will be paid from sources provided below by U.S. Bank Trust Company, National Association, as trustee (the "Trustee") directly to Cede & Co. as the registered owner thereof. Disbursements of such payments to the DTC Participants (as hereinafter defined) is the responsibility of DTC, and disbursements of such payments to the beneficial owners is the responsibility of the DTC Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest in a Series 2023 Bond must maintain an account with a broker or dealer who is, or acts through, a DTC Participant to receive payment of the principal of and interest on such Series 2023 Bond. See "DESCRIPTION OF THE SERIES 2023 BONDS - Book-Entry Only System" herein.

The Series 2023 Bonds are being issued by District #4 as the designated issuer pursuant to the Act, the Interlocal Agreement, Joint Resolution No. 2015-05, as supplemented by Joint Resolution of the Districts, adopted by the respective Boards of Supervisors of each of the Districts on April 9, 2015 and February 16, 2023, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of June 1, 2015 (the "Master Indenture"), and with respect to the Series 2023 Bonds, as supplemented by a Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (the "Eleventh Supplemental Indenture," and together with the Master Indenture, the "Indentures"), each by and between the Issuer and the Trustee and, in the case of the Master Indenture, joined in by the Other Districts, and, in the case of the Eleventh Supplemental Indenture, joined in by District #5 as Administration District.

Proceeds of the Series 2023 Bonds will be used to provide funds for (i) the Costs of constructing and acquiring a portion of the Astor Creek Phase One Project (as defined herein), (ii) the payment of Capitalized Interest on the Series 2023 Bonds through at least November 1, 2023, (iii) the funding of the Series 2023 Reserve Account (as defined herein), and (iv) the payment of the costs of issuance of the Series 2023 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE CAPITAL IMPROVEMENT PROGRAM AND THE PROJECTS" herein.

"Series 2023 Pledged Revenues" shall mean (a) all revenues received by the Issuer from Series 2023 Special Assessments levied and collected on the assessable lands within the Astor Creek Phase One Assessment Area (each as defined herein) within District #4, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indentures created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indentures shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein.

The Series 2023 Bonds are subject to optional, mandatory sinking fund and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2023 BONDS - Redemption Provisions" herein.

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE SERIES 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURES AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, THE OTHER DISTRICTS, THE CITY, ST. LUCIE COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2023 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURES TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, THE SERIES 2023 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2023 BONDS, EXCEPT WHERE ANY SUCH ACTION HAS BEEN DELEGATED BY THE ISSUER TO DISTRICT #5, ACTING AS ADMINISTRATION DISTRICT, ON BEHALF OF THE ISSUER. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE OTHER DISTRICTS, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2023 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2023 Bonds. The Series 2023 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2023 Bonds.

This cover page contains information for quick reference only. It is not a summary of the Series 2023 Bonds. Investors must read this entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

### MATURITY SCHEDULE

\$ _____	% Series 2023 Term Bond due May 1, 20__	Yield _____	%, Price _____	, CUSIP # _____	**
\$ _____	% Series 2023 Term Bond due May 1, 20__	Yield _____	%, Price _____	, CUSIP # _____	**
\$ _____	% Series 2023 Term Bond due May 1, 20__	Yield _____	%, Price _____	, CUSIP # _____	**
\$ _____	% Series 2023 Term Bond due May 1, 20__	Yield _____	%, Price _____	, CUSIP # _____	**

The initial sale of the Series 2023 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel, as to the validity of the Series 2023 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Issuer by its counsel, Gonano & Harrell, Fort Pierce, Florida, for the Developer (as defined herein) by its counsel, Gunster, Yoakley & Stewart, P.A., West Palm Beach, Florida and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the Series 2023 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2023.



Dated: \_\_\_\_\_, 2023

\* Preliminary, subject to change.

\*\* The Issuer is not responsible for the CUSIP numbers, nor is any representation made as to their correctness. The CUSIP numbers are included solely for the convenience of the readers of this Limited Offering Memorandum.

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2023 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The Issuer has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

## **VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**

### **BOARD OF SUPERVISORS**

John C. Csapo,\* Chair  
Derek Fenech,\* Vice-Chair  
Scott G. Morton,\* Assistant Secretary  
Darren Weimer,\* Assistant Secretary  
Michael Caputo,\* Assistant Secretary

\* Employee of an Affiliate of the Developer

### **DISTRICT MANAGER/METHODOLOGY CONSULTANT**

Government Management Services – South Florida, LLC  
Sunrise, Florida

### **ISSUER COUNSEL**

Gonano & Harrell  
Fort Pierce, Florida

### **BOND COUNSEL**

Greenberg Traurig, P.A.  
West Palm Beach, Florida

### **DISTRICT ENGINEER**

AECOM Technical Services, Inc.  
West Palm Beach, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE ISSUER OR THE OTHER DISTRICTS TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE ISSUER OR THE OTHER DISTRICTS.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE DEVELOPER (AS HEREINAFTER DEFINED), THE DISTRICTS, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICTS OR THE DEVELOPER OR IN THE STATUS OF THE ASTOR CREEK PHASE ONE ASSESSMENT AREA OR THE DEVELOPMENT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2023 BONDS HAVE NOT BEEN AND ARE NOT BEING REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAVE THE RESPECTIVE INDENTURES BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE SERIES 2023 BONDS HAVE NOT BEEN REGISTERED OR QUALIFIED UNDER THE SECURITIES LAWS OF ANY STATE. NEITHER THE DISTRICTS, THE CITY, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2023 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE COLLECTION OF SERIES 2023 SPECIAL ASSESSMENTS, AND VARIOUS OTHER

FACTORS WHICH MAY BE BEYOND THE ISSUER'S AND THE DEVELOPER'S CONTROL. BECAUSE THE ISSUER AND THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE ISSUER AND THE DEVELOPER DOES NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF ITS EXPECTATIONS OR EVENTS, CONDITIONS OR CIRCUMSTANCES ON WHICH SUCH STATEMENTS ARE BASED OCCUR, OTHER THAN AS DESCRIBED UNDER "CONTINUING DISCLOSURE" HEREIN.

THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE SERIES 2023 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION OF SUCH AN OFFER, OR SALE OF THE SERIES 2023 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) AND [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS IN A FORM DEEMED FINAL BY THE ISSUER FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

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**VERANO #4 COMMUNITY DEVELOPMENT DISTRICT  
(CITY OF PORT ST. LUCIE, FLORIDA)**

**\$5,480,000\***

**Special Assessment Bonds, Series 2023  
(Astor Creek Phase One Assessment Area)**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the Verano #4 Community Development District (the "Issuer" or "District #4") of its \$5,480,000\* Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area) (the "Series 2023 Bonds").

THE SERIES 2023 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2023 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2023 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2023 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The Issuer was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 05-21 of the City Council of the City of Port St. Lucie, Florida (the "City"), enacted on April 25, 2005, as amended by Ordinance No. 06-11 of the City Council of the City, enacted on February 13, 2006, which changed the name of the Issuer, and by Ordinance No. 21-49, enacted on June 14, 2021, which amended the boundaries of the Issuer. The Act authorizes the Issuer to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping water management, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the Issuer as provided in the Act. See "THE ISSUER" herein for more information.

The Issuer is contiguous with or in close proximity to five other community development districts (each a "Verano District" and together the "Other Districts," and collectively with the Issuer, the "Districts"). The Other Districts consist of Verano # 1 Community Development District ("Verano #1"), Verano # 2 Community Development District ("Verano #2"), Verano # 3 Community Development District ("Verano #3"), Verano # 5 Community Development District ("Verano #5"), and Verano Center Community Development District (the "Center District"). The Center District is not authorized to issue any Bonds on behalf of itself or any of the Districts. The Districts were created for the purpose of delivering certain community development services and facilities for the benefit of the development known as "Verano" (the "Master Development") located within the boundaries of the Districts, and the Districts have determined to undertake in one or more stages the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of the Master Development (the

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\* Preliminary, subject to change.

"Public Infrastructure"). Pursuant to the terms of the Amended and Restated District Interlocal Agreement, dated April 9, 2015, by and among the Districts (as amended, the "Interlocal Agreement"), the Other Districts have delegated to the Issuer the authority to issue the Series 2023 Bonds. Pursuant to the Interlocal Agreement and a Joint Resolution of the Districts, the Districts have delegated to District #5 the authority to serve as the administrative district for the Districts.

The Master Development encompasses approximately 3,062 acres of land (the "District Lands") located entirely within the City and is being developed as a master-planned residential community along with certain commercial uses. District #1, District #2 and District #3 have previously issued several series of bonds to finance the public infrastructure associated with prior phases of the Master Development. See "THE ISSUER – Outstanding Indebtedness" herein for more information.

The lands within District #4 are being developed into a bundled-golf residential community to be known as the "Astor Creek Country Club" (the "Development"). Land development for District #4 will occur in approximately four phases. The first phase of land development consists of 254.987 acres, which are planned to contain 245 residential units at buildout (the "Astor Creek Phase One Assessment Area"). The Series 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with the Astor Creek Phase One Assessment Area (the "Astor Creek Phase One Project"). See "THE CAPITAL IMPROVEMENT PROGRAM AND THE PROJECTS" for more information.

The Series 2023 Special Assessments securing the Series 2023 Bonds are being levied on the 245 platted lots within the Astor Creek Phase One Assessment Area, all as set forth in the Assessment Methodology attached hereto. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

Astor Creek Development LLC, a Florida limited liability company (the "Developer"), is the land developer of and homebuilder for the land in the Astor Creek Phase One Assessment Area. Verano Development LLC, a Delaware limited liability company (the "Master Developer"), is the Master Developer of the Master Development. The Developer and the Master Developer are managed by the Kolter Group (as defined herein). See "THE DEVELOPER" for more information.

The Series 2023 Bonds are being issued by District #4 as the designated issuer pursuant to the Act, the Interlocal Agreement, Joint Resolution No. 2015-05, as supplemented by a Joint Resolution of the Districts, adopted by the respective Boards of Supervisors of each of the Districts on April 9, 2015 and February 16, 2023, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture, dated as of June 1, 2015 (the "Master Indenture"), as supplemented by a Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (the "Eleventh Supplemental Indenture," and together with the Master Indenture, the "Indentures"), each by and between the Issuer and the Trustee and, in the case of the Master Indenture, joined in by the Other Districts, and in the case of the Eleventh Supplemental Indenture, joined in by District #5 as Administration District. Capitalized terms not defined herein shall have the meanings assigned to them in the Indentures. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF ELEVENTH SUPPLEMENTAL INDENTURE" hereto.

Proceeds of the Series 2023 Bonds will be used to provide funds for (i) the Costs of constructing and acquiring a portion of the Astor Creek Phase One Project, (ii) the payment of Capitalized Interest on the Series 2023 Bonds through at least November 1, 2023, (iii) the funding of the Series 2023 Reserve Account (as defined herein), and (iv) the payment of the costs of issuance of the Series 2023 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "THE CAPITAL IMPROVEMENT PROGRAM AND THE PROJECTS" herein.

The Series 2023 Bonds will be secured by a pledge of the Series 2023 Pledged Revenues. The "Series 2023 Pledged Revenues" shall mean (a) all revenues received by the Issuer from Series 2023 Special Assessments levied and collected on the assessable lands within the Astor Creek Phase One Assessment Area within District #4, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Eleventh Supplemental Indenture created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indentures shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein for more information.

There follows in this Limited Offering Memorandum a brief description of the Issuer, the Other Districts, the Developer, the Master Development, the Development, the Astor Creek Phase One Assessment Area, the Astor Creek Phase One Project and certain summaries of the terms of the Series 2023 Bonds, the Indentures and certain provisions of the Act. All references herein to the Indentures and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Series 2023 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indentures. A copy of the Master Indenture and the proposed form of the Eleventh Supplemental Indenture appear in APPENDIX A hereto.

This Limited Offering Memorandum speaks only as of its date and the information contained herein is subject to change.

## **DESCRIPTION OF THE SERIES 2023 BONDS**

### **General Description**

The Series 2023 Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple except as otherwise provided in the Indentures. The Series 2023 Bonds will mature, subject to the redemption provisions set forth herein, on the dates and in the amounts set forth on the cover page of this Limited Offering Memorandum.

The Series 2023 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2023 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. "Interest Payment Date" means May 1 and November 1 of each year, commencing November 1, 2023. Regularly scheduled interest on the Series 2023 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2023, in which case from the date of initial delivery of the Series 2023 Bonds or unless the date of authentication thereof is between a Regular Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Interest on the Series 2023 Bonds will be computed in all cases on the basis of a 360 day year consisting of twelve 30-day months.

Upon initial issuance, the ownership of the Series 2023 Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York ("DTC"), and purchases of beneficial interests in the Series 2023 Bonds will be made in book-entry only form. The Series 2023 Bonds will initially be sold only to "accredited investors" within the meaning under Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder, although there is no limitation on resales of the Series 2023 Bonds. See "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System" and "SUITABILITY FOR INVESTMENT" below.

U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, is initially serving as the Trustee, Registrar and Paying Agent for the Series 2023 Bonds.

## **Redemption Provisions**

### **Optional Redemption**

The Series 2023 Bonds may, at the option of the Issuer be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 20\_\_ (less than all Series 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2023 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2023 Optional Redemption Subaccount of the Series 2023 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

### **Mandatory Sinking Fund Redemption**

The Series 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2023 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such Series 2023 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2023 Bonds in any year. In the

event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

### **Extraordinary Mandatory Redemption**

The Series 2023 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below, where a partial redemption must occur on a Quarterly Redemption Date (as defined herein)), at a Redemption Price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account and from amounts in the Series 2023 Reserve Account in excess of the applicable Series 2023 Reserve Requirement, as described in the Eleventh Supplemental Indenture, following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the Astor Creek Phase One Assessment Area in accordance with the provisions of the Eleventh Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2023 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) from any funds remaining on deposit in any of the Series 2023 Acquisition and Construction Account not otherwise reserved to complete the Astor Creek Phase One Project (including any amounts transferred from the Series 2023 Reserve Account) all of which have been transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

"Quarterly Redemption Date" shall mean February 1, May 1, August 1, and November 1.

### **Notice of Redemption and of Purchase**

When required to redeem or purchase any Series 2023 Bonds under any provision of the Indentures or directed to do so by the Issuer, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed by first class mail, postage prepaid at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of the Series 2023 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5<sup>th</sup>) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of such Series 2023 Bonds for which notice was duly mailed in accordance with the Indentures. The Issuer shall, when it is directing the Trustee to mail such notice, provide written notice to the Trustee at least forty-five (45) days (unless the Trustee agrees to a shorter period) prior to the date on which the Trustee is required to send notice under the Indentures. Pursuant to the Master Indenture, the Trustee is authorized to provide a conditional notice of redemption.

## **Purchase of Series 2023 Bonds**

At the written direction of the Issuer, the Trustee shall apply moneys from time to time available in the Series 2023 Sinking Fund Account to the purchase of the Series 2023 Bonds in accordance with the Indentures, at prices not higher than the principal amount thereof, in lieu of redemption, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given.

## **Book-Entry Only System**

*The information in this caption concerning DTC and DTC's book-entry system has been obtained from DTC and neither the Issuer nor the Underwriter make any representation or warranty or take any responsibility for the accuracy or completeness of such information.*

The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2023 Bond certificate will be issued for each maturity of the Series 2023 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a S&P Global Ratings rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2023 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2023 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates

representing their ownership interests in the Series 2023 Bonds, except in the event that use of the book-entry system for the Series 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2023 Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of the Series 2023 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2023 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2023 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2023 Bond documents. For example, Beneficial Owners of Series 2023 Bonds may wish to ascertain that the nominee holding the Series 2023 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

Redemption notices shall be sent to DTC. If less than all of the Series 2023 Bonds of any Series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2023 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions\*, and interest payments on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Issuer or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Issuer and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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\* Not applicable to the Series 2023 Bonds.



DTC may discontinue providing its services as depository with respect to the Series 2023 Bonds at any time by giving reasonable notice to the Issuer or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, Series 2023 Bond certificates are required to be printed and delivered.

The Issuer may decide to discontinue use of the system of book-entry only transfers through DTC (or a successor securities depository). In that event, Series 2023 Bond certificates will be printed and delivered to DTC.

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS**

### **General**

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE SERIES 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURES AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, THE OTHER DISTRICTS, THE CITY, ST. LUCIE COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2023 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURES TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, THE SERIES 2023 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2023 BONDS, EXCEPT WHERE ANY SUCH ACTION HAS BEEN DELEGATED BY THE ISSUER TO DISTRICT #5, ACTING AS ADMINISTRATION DISTRICT, ON BEHALF OF THE ISSUER. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE OTHER DISTRICTS, THE CITY, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2023 Bonds will be secured by a pledge of the Series 2023 Pledged Revenues. The "Series 2023 Pledged Revenues" shall mean (a) all revenues received by the Issuer from Series 2023 Special Assessments levied and collected on the assessable lands within the Astor Creek Phase One Assessment Area, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indentures created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indentures shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

"Series 2023 Special Assessments" shall mean the Special Assessments levied on the assessable lands within the Astor Creek Phase One Assessment Area as a result of the Issuer's acquisition and/or construction of a portion of the Astor Creek Phase One Project, corresponding in amount to the debt service on the Series 2023 Bonds and designated as such in the methodology report relating thereto. The Series 2023 Special Assessments securing the Series 2023 Bonds will be levied on the 245 platted single-family lots within the Astor Creek Phase One Assessment Area in accordance with the Assessment Methodology.

See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

Non-ad valorem assessments, such as the Series 2023 Special Assessments, are not based on millage and are not taxes, but can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The respective Series 2023 Special Assessments will constitute a lien against the land as to which the respective Series 2023 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Supplemental Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2023 Special Assessments to the assessable lands within the Astor Creek Phase One Assessment Area is included as APPENDIX D hereto.

### **Additional Obligations**

Pursuant to the Eleventh Supplemental Indenture, the Issuer will covenant not to issue any other Bonds or other debt obligations secured by the Series 2023 Special Assessments. Such covenant shall not prohibit the Issuer from issuing refunding bonds. In addition, the Issuer will covenant not to issue any other Bonds or debt obligations secured by Special Assessments on assessable lands within the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments unless the Series 2023 Special Assessments levied within the Astor Creek Phase One Assessment Area have been Substantially Absorbed, provided the foregoing shall not preclude the imposition of Special Assessments or other non-ad valorem assessments on such lands in connection with other capital projects that are necessary for health, safety or welfare reasons or to remediate a natural disaster. "Substantially Absorbed" means, with respect to the Series 2023 Bonds, the date at least ninety percent (90%) of the residential units within Phase One Assessment Area that will secure the Series 2023 Bonds that have received certificates of occupancy. The Trustee and the Issuer may rely on a written certificate from the District Manager regarding the occurrence of the Series 2023 Special Assessments being Substantially Absorbed. Notwithstanding any provision in the Indentures to the contrary, the Issuer may issue other Bonds or debt obligations secured by Special Assessments, other than the Series 2023 Special Assessments, at any time upon the written consent of the Majority Holders.

In addition, the Districts and/or other public entities have and may continue to impose taxes or other special assessments (subject to the provisions regarding additional obligations described in the preceding paragraph) on the same properties encumbered by the Series 2023 Special Assessments without the consent of the Owners of the Series 2023 Bonds. As described herein, the Districts expect to continue to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2023 Special Assessments, on the same lands upon which the Series 2023 Special Assessments are imposed to fund the maintenance and operation of the Districts. See "BONDOWNERS' RISKS" herein.

### **Covenant Against Sale or Encumbrance**

In the Master Indenture, the Issuer will covenant that (a) except for those improvements comprising any Project that are to be conveyed by the Issuer to the City, County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Indentures, it will not sell, lease or otherwise dispose of or encumber any Project or any part thereof. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF ELEVENTH SUPPLEMENTAL INDENTURE" herein for more information.

## **Acquisition and Construction Account**

The Eleventh Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2023 Acquisition and Construction Account." A portion of the net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Acquisition and Construction Account in the amount set forth in the Eleventh Supplemental Indenture, together with any moneys transferred to the Series 2023 Acquisition and Construction Account, pursuant to the provisions of the Eleventh Supplemental Indenture, and such moneys in such Account shall be requested to be applied by the Issuer as set forth in Indentures and the Acquisition Agreement. Upon presentment by the District Manager or the Issuer to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the Eleventh Supplemental Indenture, the Trustee shall withdraw moneys from the Series 2023 Acquisition and Construction Account and pay such moneys to the Person or Persons such requisition so directs.

Following the Completion Date for the Astor Creek Phase One Project, all moneys remaining in the Series 2023 Acquisition and Construction Account (except in connection with the satisfaction of the Release Conditions described under "–Reserve Account" below) shall be transferred to the Series 2023 General Redemption Subaccount, as directed in writing to the Trustee by the District Manager, on behalf of the Issuer. The Trustee shall not be responsible for determining if the Completion Date has occurred, but shall be permitted to rely upon the written notice from the District Manager as to the occurrence of the Completion Date. Subject to the provisions of the Eleventh Supplemental Indenture, the Series 2023 Acquisition and Construction Account shall be closed upon the expenditure of all funds therein including moneys deposited therein as a result of satisfaction of the Release Conditions (as defined herein). See "–Reserve Account" herein.

## **Reserve Account**

The Eleventh Supplemental Indenture establishes a Series 2023 Reserve Account within the Reserve Fund for the Series 2023 Bonds. The Series 2023 Reserve Account will, at the time of delivery of the Series 2023 Bonds, be funded in the amount of the Series 2023 Reserve Requirement. The "Series 2023 Reserve Requirement" or "Reserve Requirement" shall mean an amount initially equal to fifty percent (50%) of the maximum annual debt service with respect to the initial principal amount of the Series 2023 Bonds determined on the date of issue. Upon satisfaction of the Release Conditions, the Series 2023 Reserve Requirement shall be reduced to an amount equal to ten percent (10%) of the maximum annual debt service with respect to the then Outstanding principal amount of the Series 2023 Bonds. If a portion of the Series 2023 Bonds are subject to extraordinary mandatory redemption as the result of a Prepayment of Series 2023 Special Assessments or from funds on deposit in the Series 2023 Acquisition and Construction Accounts after completion of the Astor Creek Phase One Project (as further described in the Eleventh Supplemental Indenture), the Reserve Requirement shall be reduced in accordance with the provisions of the Eleventh Supplemental Indenture. Any amount in the Series 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2023 Bonds be used to pay principal of and interest on the Series 2023 Bonds at that time. The initial Series 2023 Reserve Requirement shall be equal to \$ \_\_\_\_\_.

"Release Conditions" shall mean all of the following: (a) all of the principal portion of the Series 2023 Special Assessments has been assigned to residential units that have been constructed and each have received certificates of occupancy; and (b) no Event of Default under the Master Indenture has occurred, all as evidenced pursuant to the Eleventh Supplemental Indenture.

Notwithstanding any provision in the Eleventh Supplemental Indenture to the contrary, the Issuer will covenant not to substitute the cash and Investment Securities on deposit in the Series 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. On each

March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2023 Reserve Account and transfer any excess therein above the Reserve Requirement prior to the Completion Date caused by investment earnings to the Series 2023 Acquisition and Construction Account and, after the Completion Date to the Series 2023 Revenue Account to be applied in accordance with the Eleventh Supplemental Indenture.

At such time the principal of the Series 2023 Bonds is redeemed as a result of a Prepayment of the Series 2023 Special Assessments, pursuant the Eleventh Supplemental Indenture, the District Manager, on behalf of the Issuer, shall calculate the Series 2023 Reserve Requirement and communicate the same to the Trustee in writing. If as a result of such calculation there are excess moneys on deposit in the Series 2023 Reserve Account, the Trustee shall transfer such excess as a credit against such proposed Prepayment to the Series 2023 Prepayment Subaccount and shall apply such excess in accordance with the Eleventh Supplemental Indenture on the next Quarterly Redemption Date.

Subject to the provisions of the Eleventh Supplemental Indenture, on any date the Issuer or the District Manager, on behalf of the Issuer, receives notice that a landowner wishes to prepay its Series 2023 Special Assessments relating to the benefited property of such landowner within the Astor Creek Phase One Assessment Area, or as a result of a mandatory true-up payment, the Issuer shall cause the District Manager, on behalf of the Issuer, to calculate the principal amount of such Prepayment taking into account a credit against the amount of the Series 2023 Prepayment Principal due by the amount of money in the Series 2023 Reserve Account that will be in excess of the applicable Reserve Requirement, taking into account the proposed Prepayment. Such excess in the Series 2023 Reserve Account shall be transferred by the Trustee to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the Issuer, shall make such calculation within ten (10) Business Days after notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2023 Bonds in accordance with the Eleventh Supplemental Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations. Notwithstanding the foregoing, upon satisfaction of the Release Conditions, the Trustee shall deposit such excess on deposit in the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account and pay such amount deposited in the Series 2023 Acquisition and Construction Account to the Person or Persons designated in a requisition in the form attached as an exhibit to the Eleventh Supplemental Indenture submitted by the Developer within thirty (30) days of such transfer which requisition shall be executed by the Issuer and the District Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared provided the Developer can establish, to the satisfaction of the District Engineer (as evidenced by the execution of the applicable requisition by the Issuer and the District Engineer that has been submitted by the Developer), that such Costs of the Astor Creek Phase One Project were not paid from moneys initially deposited in the Series 2023 Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Developer, such excess moneys transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account shall be deposited into the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

Upon satisfaction of the Release Conditions, as evidenced by a written certificate of the District Manager delivered to the Issuer and the Trustee stating that the Release Conditions have been satisfied and setting forth the amount of the new Series 2023 Reserve Requirement, the Trustee shall without further direction reduce the Series 2023 Reserve Requirement to ten percent (10%) of the maximum annual debt service of the then Outstanding principal amount of the Series 2023 Bonds as calculated by the District Manager. The excess amount in the Series 2023 Reserve Account as a result of satisfaction of Release

Conditions shall be transferred to the Series 2023 Acquisition and Construction Account. The Trustee may conclusively rely on such written certificate of the District Manager.

In addition, in the event of an extraordinary mandatory redemption pursuant to the Eleventh Supplemental Indenture, the Trustee shall apply any resulting excess in the Series 2023 Reserve Account, based on the Reserve Requirement calculated by the District Manager, toward such extraordinary mandatory redemption.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by a majority of the Holders of the Series 2023 Bonds to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2023 Special Assessments and applied to redeem a portion of the Series 2023 Bonds is less than the principal amount of Series 2023 Bonds indebtedness attributable to such lands as certified in writing to the Trustee by the District Manager. The Trustee shall have no duty to verify such calculation or the components thereof.

It shall be an Event of Default under the Indentures if at any time the amount in the Series 2023 Reserve Account is less than the Series 2023 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Series 2023 Reserve Requirement and such amount has not been restored within thirty (30) days of such withdrawal.

### **Deposit and Application of the Series 2023 Pledged Revenues**

The Eleventh Supplemental Indenture established a Series 2023 Revenue Account within the Revenue Fund for the Series 2023 Bonds. Series 2023 Special Assessments (except for Prepayments of Series 2023 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2023 Revenue Account. Pursuant to the Eleventh Supplemental Indenture, the Trustee shall transfer from amounts on deposit in the Series 2023 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each November 1 commencing November 1, 2023, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding November 1, less any amount on deposit in the Series 2023 Capitalized Interest Account or the Series 2023 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each May 1 commencing May 1, 2024, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding May 1, less any amount on deposit in the Series 2023 Capitalized Interest Account or the Series 2023 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, commencing May 1, 2024, to the Series 2023 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2023 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding the May 1, which is a principal payment date for any Series 2023 Bonds, to the Series 2023 Principal Account of the Debt Service Fund, an amount

equal to the principal amount of Series 2023 Bonds Outstanding maturing on such May 1, less any amounts on deposit in the Series 2023 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2023 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2023 Interest Account, the amount necessary to pay interest on the Series 2023 Bonds subject to redemption on such date;

SIXTH, upon receipt but no later than the Business Day next preceding each May 1 or November 1 Interest Payment Date while Series 2023 Bonds remain Outstanding, to the Series 2023 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2023 Bonds; and

SEVENTH, upon any Quarterly Redemption Date, the Trustee shall be authorized to withdraw moneys from the Series 2023 Revenue Account in order to round up any Series 2023 Bonds subject to extraordinary mandatory redemption pursuant to the Eleventh Supplemental Indenture so such Series 2023 Bonds are redeemed in Authorized Denominations; and

EIGHTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2023 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2023 Bonds and next, any balance in the Series 2023 Revenue Account shall remain on deposit in such Series 2023 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2023 Rebate Fund, in which case, the Issuer or the District Manager, on behalf of the Issuer, shall direct the Trustee to make such deposit thereto.

Notwithstanding that the Issuer has funded the Series 2023 Capitalized Interest Account to pay interest on the Series 2023 Bonds through at least November 1, 2023, moneys on deposit in the Series 2023 Capitalized Interest Account, including all investment earnings thereon, shall remain on deposit in such Account and be used by the Trustee to pay interest on the Series 2023 Bonds on any subsequent Interest Payment Date if moneys remain after November 1, 2023. When such Account has been depleted of all funds, the Trustee shall be authorized to close such subaccount.

## **Investments**

The Trustee shall, as directed by the Issuer in writing, invest moneys held in the Series Accounts in the Debt Service Fund and the Series Accounts of the Bond Redemption Account only in Government Obligations and other securities described in the definition of Investment Securities in the Master Indenture. The Trustee shall, as directed by the Issuer in writing, invest moneys held in the Series Debt Service Reserve Accounts in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for the purposes set forth in the Indentures. All securities securing investments pursuant to the Master Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the provisions of the Indentures, any interest and other income so received shall be deposited in the Series 2023 Revenue Account. The Trustee shall not be accountable for any depreciation in the value of any such

security or for any loss resulting from the sale thereof. Absent specific instructions as set forth in the Master Indenture, or absent standing instructions from the Issuer for investment of such moneys, then the Trustee shall not be responsible or liable for keeping the moneys invested. The Trustee shall not be liable or responsible for any loss or failure to achieve the highest return, or entitled to any gain, resulting from any investment or sale. The Trustee may make any permitted investments through its own bond department or investment department. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF ELEVENTH SUPPLEMENTAL INDENTURE" hereto.

The Trustee shall value the assets in each of the Funds and Accounts established under the Indentures forty-five (45) days prior to each Interest Payment Date, and as soon as practicable after each such valuation date (but no later than ten (10) days after such valuation date) shall provide the Issuer a report of the status of each Fund and Account as of the valuation date.

### **Covenant to Levy the Series 2023 Special Assessments**

The Issuer has covenanted to levy the Series 2023 Special Assessments to the extent and in the amount sufficient to pay debt service requirements on the Series 2023 Bonds. If any Series 2023 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer shall be satisfied that any such Series 2023 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make such Series 2023 Special Assessment when it might have done so, the Issuer has additionally covenanted to either (i) take all necessary steps to cause a new Series 2023 Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement, or (ii) in its sole discretion, make up the amount of such Series 2023 Special Assessment from any legally available moneys, which moneys shall be deposited into the Series 2023 Revenue Account. In case such second Series 2023 Special Assessment shall be annulled, the Issuer shall obtain and make other Series 2023 Special Assessments until a valid Series 2023 Special Assessment shall be made.

### **Prepayment of Series 2023 Special Assessments**

Pursuant to the Assessment Proceedings, an owner of property subject to the Series 2023 Special Assessments may pay all or a portion of the principal balance of such Series 2023 Special Assessments in accordance with the provisions of the Assessment Proceedings by payment of an amount equal to the principal amount of such prepayment plus interest accrued at the interest rate on the Series 2023 Bonds to the first interest payment date which is more than forty-five (45) days after the date of such prepayment.

Pursuant to the Act, an owner of property subject to the levy of Series 2023 Special Assessments may pay the entire balance of the Series 2023 Special Assessments remaining due, without interest, within thirty (30) days after the Astor Creek Phase One Project has been completed or acquired by the Issuer, and the Board has adopted a resolution accepting the Astor Creek Phase One Project pursuant to Chapter 170.09, Florida Statutes. The Developer, as the sole owner of the property initially subject to the Series 2023 Special Assessments, will covenant to waive this right on behalf of itself and its respective successors and assigns in connection with the issuance of the Series 2023 Bonds.

Any prepayment of any Series 2023 Special Assessments will result in an extraordinary mandatory redemption of the Series 2023 Bonds as indicated under "DESCRIPTION OF THE SERIES 2023 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption." The prepayment of Series 2023 Special Assessments does not entitle the owner of the property to a discount for early payment.

## **Master Indenture Provisions Relating to Bankruptcy or Insolvency of a Developer or Other Obligated Person**

The Master Indenture contains the following provisions which, pursuant to the Master Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against the Developer or other "obligated person" (as defined under Rule 15c2-12) (herein, the "Landowner") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Series 2023 Bonds remain Outstanding, in any Proceeding involving the Issuer, any Landowner, or the Series 2023 Special Assessments, the Issuer shall be obligated to act in accordance with direction from the Trustee, and the Trustee shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Series 2023 Bonds.

In the Master Indenture, the Issuer has acknowledged and agreed that, although the Series 2023 Bonds were issued by the Issuer, the Beneficial Owners of such Series 2023 Bonds are categorically the party with a financial stake in the repayment of the Series 2023 Bonds and, consequently, the party with a vested interest in a Proceeding. In the event of any Proceeding involving any Landowner (a) the Issuer has agreed that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2023 Special Assessments, the Series 2023 Bonds or any rights of the Trustee under the Indentures that is inconsistent with any direction from the Trustee, (b) the Trustee shall have the right, but is not obligated to, vote in any such Proceeding any and all claims of the Issuer, and, if the Trustee chooses to exercise such right, the Issuer shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the Issuer in connection with any Proceeding of any Landowner, including without limitation, the right to file and/or prosecute any claims, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (c) the Issuer shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of any lands submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the Issuer's claim with respect to any and all Series 2023 Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the Issuer has agreed in the Master Indenture that the Trustee shall have the right (i) to file a proof of claim with respect to Series 2023 Special Assessments, (ii) to deliver to the Issuer a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim. See "BONDOWNERS' RISKS – Bankruptcy and Related Risks" herein for more information.

## **Events of Default and Remedies**

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indentures, with respect to the Series 2023 Bonds:

- (a) if payment of any installment of interest on any Series 2023 Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Series 2023 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or



(c) if the Issuer, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indentures or under the Act which determination of capacity may be determined solely by the Majority Holder of the Series 2023 Bonds; or

(d) if the Issuer proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Issuer or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Issuer and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) if the Issuer defaults in the due and punctual performance of any other covenant in the Indentures or in any Series 2023 Bond and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Majority Holders of the Series 2023 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the Issuer shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) if the amount in a Series 2023 Reserve Account is less than the Series 2023 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Series 2023 Reserve Requirement on such Series 2023 Bonds and such amount has not been restored within thirty (30) days of such withdrawal.

The Trustee shall not be required to rely on any official action, admission or declaration by the Issuer before recognizing that an Event of Default under (c) above has occurred.

No Series 2023 Bonds shall be subject to acceleration. Upon the occurrence and continuance of an Event of Default, no optional redemption or extraordinary mandatory redemption of such Series 2023 Bonds pursuant to the Indentures shall occur unless all of such Series 2023 Bonds where an Event of Default has occurred will be redeemed or if 100% of the Holders of the affected Outstanding Series 2023 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2023 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holders of the Outstanding Series 2023 Bonds and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2023 Bonds, including, without limitation, the right to require the Issuer to carry out any agreements with, or for the benefit of, the Bondholders of Bonds of such Series 2023 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2023 Bonds;

(c) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Holders of the Series 2023 Bonds;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Series 2023 Bonds; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Series 2023 Bonds.

Subject to the provisions of the Master Indenture, if any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, then the Issuer, the Trustee, the Paying Agent and the Bondholders of the Series 2023 Bonds shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

The Majority Holders of the Series 2023 Bonds then subject to remedial proceedings under the Indentures shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indentures, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indentures.

If Events of Default have occurred and are continuing for the Series 2023 Bonds as a result of any landowner(s) having failed to pay the Special Assessments, the Administration District shall determine which parcel or parcels of land affected by such non-payment which is subject to the greatest amount of Special Assessments relating to the defaulted Series 2023 Bonds. Upon such determination, the Administration District shall immediately provide such information to the Trustee. Based on such information, the Trustee shall follow the direction of the Majority Holders of such Series 2023 Bonds.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2023 Bonds is the Series 2023 Special Assessments imposed on certain lands within the Astor Creek Phase One Assessment Area specially benefited by the Public Infrastructure comprising the Astor Creek Phase One Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: SUPPLEMENTAL ASSESSMENT METHODOLOGY."

The determination, order, levy, and collection of Series 2023 Special Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the Districts, the St. Lucie County Tax Collector (the "Tax Collector") or the St. Lucie County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, some or all of the Series 2023 Special Assessments during any year. Such delays in the collection of Series 2023 Special Assessments, or complete inability to collect any the Series 2023 Special Assessments, would have a material adverse effect on the ability of the Issuer to make full or punctual payment of the debt service requirements on the Series 2023 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2023 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the Issuer is essential to continued payment of principal of and interest on the Series 2023 Bonds. The Act provides for various methods of collection of delinquent Series 2023 Special Assessments by reference to other provisions of the Florida Statutes. See "BONDOWNERS' RISKS" herein. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes but is qualified in its entirety by reference to such statutes.

## **Uniform Method Procedure**

Pursuant to the terms and provisions of the Master Indenture, the Issuer or the Administration District on behalf of the Issuer shall collect the Series 2023 Special Assessments relating to the acquisition and construction of the Astor Creek Phase One Project through the Uniform Method of Collection (the "Uniform Method") afforded by Chapter 197, Florida Statutes. Pursuant to the terms and provisions of the Master Indenture, the Issuer or the Administration District on behalf of the Issuer shall, pursuant to the provisions of the Assessment Resolutions, directly collect the Series 2023 Special Assessments levied in lieu of the Uniform Method with respect to any assessable lands which have not yet been platted, or platted but still owned by a Developer or the timing for using the Uniform Method will not yet allow for using such method or the Majority Holders direct otherwise. The Florida Statutes provide that, subject to certain conditions, non-ad valorem special assessments may be collected by using the Uniform Method. The Uniform Method of collection is available only in the event the Issuer or the Administrative District on behalf of the Issuer complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2023 Special Assessments to be levied and then collected in this manner. The Issuer's election to use a certain collection method with respect to the Series 2023 Special Assessments does not preclude it from electing to use another collection method in the future. See "Foreclosure" below with respect to collection of delinquent assessments not collected pursuant to the Uniform Method.

If the Uniform Method of collection is utilized, the Series 2023 Special Assessments will be collected together with City, County, special district, and other ad valorem taxes and non-ad valorem assessments, all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner within the Astor Creek Phase One Assessment Area subject to the Series 2023 Special Assessments. The statutes relating to enforcement of ad valorem taxes and non-ad valorem assessments provide that such taxes and assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments (including the Series 2023 Special Assessments being collected by the Uniform Method) are to be billed, and landowners within the Astor Creek Phase One Assessment Area are required to pay all such taxes and assessments, without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2023 Special Assessments. Upon any receipt of moneys by the Tax Collector from the Series 2023 Special Assessments, such moneys will be delivered to the Administration District who will in turn deliver the same to the Issuer, which will remit such Series 2023 Special Assessments to the Trustee for deposit to the Series 2023 Revenue Account within the Revenue Fund, except that any Prepayments of Series 2023 Special Assessments shall be deposited to the Series 2023 Prepayment Subaccount within the Series 2023 Bond Redemption Account of the Bond Redemption Fund created under the Indentures and applied in accordance therewith.

All County, school and special district, including the Issuer, ad valorem taxes, non-ad valorem special assessments, including the Series 2023 Special Assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, are payable at one time, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. In such cases, the Tax Collector does not accept such partial payment and the partial payment is returned to the taxpayer. Therefore, in the event the Series 2023 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2023 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the Issuer to make full or punctual payment of the debt service requirements on the Series 2023 Bonds.

Under the Uniform Method, if the Series 2023 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid taxes and assessments become delinquent on April 1 of the year following assessment. The Tax Collector is required to collect the ad valorem taxes and non-ad valorem special assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such taxes and assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Neither the Issuer nor the Underwriter can give any assurance to the holders of the Series 2023 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2023 Special Assessments, (2) that future landowners and taxpayers within the Astor Creek Phase One Assessment Area will pay such Series 2023 Special Assessments, (3) that a market may exist in the future for tax certificates (as described below) in the event of sale of such certificates for taxable units within Astor Creek Phase One Assessment Area, and (4) that the eventual sale of tax certificates for real property within District #4, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2023 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2023 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the Issuer for payment of the Series 2023 Special Assessments due. In the event of a delinquency in the payment of taxes and assessments on real property, the landowner may, prior to the sale of tax certificates, pay the total amount of delinquent ad valorem taxes and non-ad valorem assessments plus the cost of advertising and the applicable interest charge on the amount of such delinquent taxes and assessments. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and assessments owing, penalties and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%). Tax certificates are sold by public bid. If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest (currently 18%). The Tax Collector does not collect any money if tax certificates are "struck off" (issued) to the County. The County may sell such certificates to the public at any time at the principal amount thereof plus interest at the rate of not more than 18% per annum and a fee. Proceeds from the sale of tax certificates are required to be used to pay taxes and assessments (including the Series 2023 Special Assessments), interest, costs and charges on the real property described in the certificate. The demand for such certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the Astor Creek Phase One Assessment Area may affect the demand for certificates and the successful collection of the Series 2023 Special Assessments, which are the primary source of payment of the Series 2023 Bonds. Legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates.

Unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees, any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued, and at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax

certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described in the preceding paragraph.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due. If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear.

Except for certain governmental liens and certain restrictive covenants and restrictions, no right, interest, restriction or other covenant survives the issuance of a tax deed. Thus, for example, outstanding mortgages on property subject to a tax deed would be extinguished.

If there are no bidders at the public sale, the County may, at any time within ninety (90) days from the date of offering for public sale, purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date of delinquency, unsold lands escheat to the County in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

## **Foreclosure**

The following discussion regarding foreclosure is not applicable if the Series 2023 Special Assessments are being collected pursuant to the Uniform Method. In the event that the Issuer itself, or the

Administration District on behalf of the Issuer, directly levies and enforces, pursuant to Chapters 170 and 190, Florida Statutes, the collection of the Series 2023 Special Assessments levied on the land within the Astor Creek Phase One Assessment Area, Chapter 170.10, Florida Statutes provides that upon the failure of any property owner to pay all or any part of the principal of a special assessment, including a Series 2023 Special Assessment, or the interest thereon, when due, the governing body of the entity levying the assessment is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes relating to foreclosure of municipal tax and special assessment liens. Such a proceeding is in rem, meaning that it is brought against the land not against the owner. In light of the one year tolling period required before the Issuer may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the Issuer would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2023 Special Assessments and the ability to foreclose the lien of such Series 2023 Special Assessments upon the failure to pay such Series 2023 Special Assessments may not be readily available or may be limited as such enforcement is dependent upon judicial action which is often subject to discretion and delay.

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other headings of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2023 Bonds offered hereby and are set forth below. Prospective investors in the Series 2023 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2023 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. The risks set forth under this heading does not purport to summarize all risks that may be associated with purchasing or owning the Series 2023 Bonds, and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2023 Bonds.

### **Concentration of Land Ownership**

As of the date hereof, the Developer owns all of the assessable lands within the Astor Creek Phase One Assessment Area, which are the lands that will be subject to the Series 2023 Special Assessments securing the Series 2023 Bonds. Payment of the Series 2023 Special Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in the Astor Creek Phase One Assessment Area. Non-payment of the Series 2023 Special Assessments by any of the landowners could have a substantial adverse impact upon the Issuer's ability to pay debt service on the Series 2023 Bonds. See "THE DEVELOPER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS" herein.

### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2023 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2023 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2023 Special Assessments being collected pursuant to the Uniform Method; and (iii) the Issuer to foreclose the lien of the Series 2023 Special Assessments not

being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2023 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2023 Bonds, including, without limitation, enforcement of the obligation to pay Series 2023 Special Assessments and the ability of the Issuer to foreclose the lien of the Series 2023 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2023 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Master Indenture provides for the delegation of certain rights from the Issuer to the Trustee in the event of a bankruptcy or similar proceeding with respect to an insolvent "Landowner" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Developer or Other Obligated Person" herein. The Issuer cannot express any view whether such delegation would be enforceable.

### **Series 2023 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Series 2023 Bonds is the timely collection of the Series 2023 Special Assessments. The Series 2023 Special Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Developer or subsequent landowners will be able to pay the Series 2023 Special Assessments or that they will pay such Series 2023 Special Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2023 Special Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2023 Special Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2023 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2023 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2023 Special Assessments may ultimately depend on the market value of the land subject to the Series 2023 Special Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2023 Special Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2023 Special Assessments, which may also be affected by the value of the land subject to the Series 2023 Special Assessments, is also an important factor in the collection of Series 2023 Special Assessments. The failure of the Developer or subsequent landowners to pay the Series 2023 Special Assessments could render the Issuer unable to collect delinquent Series 2023 Special Assessments and provided such delinquencies are significant, could negatively impact the ability of the Issuer to make the full or punctual payment of debt service on the Series 2023 Bonds.

## **Regulatory and Environmental Risks**

The development of the land within District #4, including the Astor Creek Phase One Assessment Area, is subject to comprehensive federal, state and local regulations and future changes to such regulations. Approval is required from various public agencies in connection with, among other things, the design, nature and extent of planned improvements, both public and private, and construction of the infrastructure in accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the land within District #4. See "THE DEVELOPMENT – Zoning and Permitting" herein for more information.

The value of the land within the Districts, the success of the Master Development, the development of the Astor Creek Phase One Assessment Area and the likelihood of timely payment of principal and interest on the Series 2023 Bonds could be affected by environmental factors with respect to the District Lands. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the District Lands, which could materially and adversely affect the success of the development of the land within the Astor Creek Phase One Assessment Area and the likelihood of the timely payment of the Series 2023 Bonds. The Issuer has not performed, nor has the Issuer requested that there be performed on its behalf, any independent assessment of the environmental conditions within the land within District #4. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the land within District #4 or in the vicinity of District #4 and that such conditions could have a material and adverse impact upon the value of the benefited lands within the Astor Creek Phase One Assessment Area. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within District #4 or from surrounding property, and what effect such may have on the development or sale of the lands in the Astor Creek Phase One Assessment Area.

The value of the lands subject to the Series 2023 Special Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the land within District #4, such catastrophic events could potentially render the land within District #4 unable to support future development. The occurrence of any such events could materially adversely impact the Issuer's ability to pay principal and interest on the Series 2023 Bonds. The Series 2023 Bonds are not insured, and the Issuer's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

## **Economic Conditions and Changes in Development Plans**

The successful development of the Astor Creek Phase One Assessment Area and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer. Moreover, the Developer has the right to modify or change plans for development of the District Lands from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of District #4.



## **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2023 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the Issuer, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2023 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the Issuer could, without the consent of the owners of the land within the Astor Creek Phase One Assessment Area, impose additional taxes on the property within the Astor Creek Phase One Assessment Area. The Issuer anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2023 Special Assessments. In addition, the land within District #4 may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2023 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2023 Special Assessment, even though the landowner is not contesting the amount of the Series 2023 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

## **Limited Secondary Market for Series 2023 Bonds**

The Series 2023 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2023 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2023 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2023 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2023 Bonds, depending on the progress of development of the Development and the lands within the Astor Creek Phase One Assessment Area, existing real estate and financial market conditions and other factors.

## **Inadequacy of Reserve Account**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2023 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2023 Bonds because of the Series 2023 Reserve Account. The ability of the Series 2023 Reserve Account to fund deficiencies caused by delinquencies in the Series 2023 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2023 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in such Reserve Account to make up deficiencies. If the Issuer has difficulty in collecting the Series 2023 Special Assessments, the Series 2023 Reserve Account would be rapidly depleted and the ability of the Issuer to pay debt service on the Series 2023 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2023 Reserve Account and such other

Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2023 Reserve Account is accessed for any purpose, the Issuer does not have a designated revenue source for replenishing such account. Moreover, the Issuer may not be permitted to re-assess real property then burdened by the Series 2023 Special Assessments in order to provide for the replenishment of the Series 2023 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Series 2023 Reserve Account" herein for more information about the Series 2023 Reserve Account.

## **Legal Delays**

If the Issuer should commence a foreclosure action against a landowner for nonpayment of Series 2023 Special Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the Issuer expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the Issuer is required under the Indenture to fund the costs of such foreclosure. It is possible that the Issuer will not have sufficient funds and will be compelled to request the Holders of the Series 2023 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code (as defined), there are limitations on the amounts of proceeds from the Series 2023 Bonds that can be used for such purpose.

## **IRS Examination and Audit Risk**

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not excludable from gross income of the owners of such bonds for federal income tax purposes. Village Center CDD received a second TAM dated June 17, 2015, which granted relief to Village Center CDD from retroactive application of the IRS's conclusion regarding its failure to qualify as a political subdivision. Prior to the conclusion of the audits, the Audited Bonds were all refunded with taxable bonds. The audit of the Audited Bonds that were issued for utility improvements were closed without change to the tax exempt status of those Audited Bonds on April 25, 2016, and the audit of the remainder of the Audited Bonds (which funded recreational amenity acquisitions from entities related to the principal landowner in the Village Center CDD) was closed on July 14, 2016, without the IRS making a final determination that the interest on the Audited Bonds in question was required to be included in gross income. However, the IRS letter to the Village Center CDD with respect to this second set of Audited Bonds noted that the IRS found that the Village Center CDD was not a "proper issuer of tax-exempt bonds" and that those Audited Bonds were private-activity bonds that did not fall in any of the categories that qualify for tax-exemption. Although the TAMs and the letters to the Village Center CDD from the IRS referred to above are addressed to, and binding only on, the IRS and Village Center CDD in connection with the Audited Bonds, they reflect the audit position of the IRS, and there can be no assurance that the IRS would not commence additional audits of bonds issued by other community development districts raising issues similar to the issues raised in the case of the Audited Bonds based on the analysis set forth in the first TAM or on the related concerns addressed in the July 14, 2016 letter to the Village Center CDD.

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations required that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its funds or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in the State with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The Issuer, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the Issuer were elected by the landowners and none were elected by qualified electors. The Developer will certify as to its expectations as to the timing of the transition of control of the Board of the Issuer to qualified electors pursuant to the Act. Such certification by the Developer does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the Issuer is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2023 Bonds will not be commenced. The Issuer has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable State or federal law.

Owners of the Series 2023 Bonds are advised that, if the IRS does audit the Series 2023 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the Issuer as the taxpayer, and the Owners of the Series 2023 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the Series 2023 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2023 Bonds, it is unlikely the Issuer will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2023 Bonds would adversely affect the availability of any secondary market for the Series 2023 Bonds. Should interest on the Series 2023 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2023 Bonds be required to pay income taxes on the interest received on such Series 2023 Bonds and related penalties, but because the interest rate on such Series 2023 Bonds will not be adequate to compensate Owners of the Series 2023 Bonds for the income taxes due on such interest, the value of the Series 2023 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2023 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2023 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2023 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2023 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2023 BONDS BECOMES TAXABLE AND/OR THE ISSUER IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

### **Loss of Exemption from Securities Registration**

The Series 2023 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for securities issued by political subdivisions. It is possible that federal or state regulatory authorities could in the future determine that the Issuer is not a political subdivision for purposes of federal and state securities laws, including without limitation as the result of a determination by the IRS, judicial or otherwise, of the Issuer's status for purposes of the Code. In such event, the Issuer and purchasers of Series 2023 Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2023 Bonds would need to ensure that subsequent transfers of the Series 2023 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

### **Federal Tax Reform**

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2023 Bonds, by eliminating or changing the tax-exempt status of interest on such bonds. Whether any such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2023 Bonds cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS" herein.

### **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for community development district bonds. This report renewed requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for

the Series 2023 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

### **Insufficient Resources or Other Factors Causing Failure to Complete the Astor Creek Phase One Project or the Construction of Homes within the Astor Creek Phase One Assessment Area**

The cost to finish the Astor Creek Phase One Project will exceed the available net proceeds from the Series 2023 Bonds. There can be no assurance, in the event the Issuer does not have sufficient moneys on hand to complete the Astor Creek Phase One Project, that the Issuer will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Astor Creek Phase One Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Additional Obligations" for more information.

As a successor in interest to the Master Developer with respect to the land in the Astor Creek Phase One Assessment Area, the Developer will be subject to an existing Completion Agreement obligating the Developer to complete the Astor Creek Phase One Assessment Area Project. However, there can be no assurance that the Developer will have sufficient resources to complete the Astor Creek Phase One Assessment Area Project. The completion obligations of the Developer are unsecured obligations. Further, the Developer is a special-purpose entity whose assets consist primarily of its interest in the lands within District #4. Further, even if development of the Astor Creek Phase One Assessment Area is completed, there are no assurances that homes will be constructed and sold therein. See "THE DEVELOPER" herein for more information.

### **COVID-19 and Related Matters**

In addition to the general economic conditions discussed above, the timely and successful completion of the Astor Creek Phase One Project and the construction and sale to purchasers of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State, the County and the City have all previously imposed certain health and public safety restrictions in response to COVID-19 in the past. The Issuer cannot predict whether new actions may be taken by government authorities in the future to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The Issuer and the Developer cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the development of the lands in District #4 is unknown. It is possible that construction delays, delays in the receipt of permits or other government approvals, supply chain delays, increased costs, delays in sales to home purchasers or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the development of the lands within District #4. See also "BONDOWNERS' RISKS – Economic Conditions and Changes in Development Plans" and "– Insufficient Resources or Other Factors Causing Failure to Complete the Astor Creek Phase One Project or the Construction of Homes within the Astor Creek Phase One Assessment Area" herein.

## **Cybersecurity**

The Issuer relies on a technological environment to conduct its operations. The Issuer, its agents and other third parties the Issuer does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the Issuer, which could impact the timely payment of debt service on the Series 2023 Bonds.

## **Prepayment and Redemption Risk**

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2023 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2023 Special Assessments by the Developer or subsequent owners of the property within the Astor Creek Phase One Assessment Area. Any such redemptions of the Series 2023 Bonds would be at the principal amount of such Series 2023 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2023 Bonds may not realize their anticipated rate of return on the Series 2023 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2023 Bonds. See "DESCRIPTION OF THE SERIES 2023 BONDS – Redemption Provisions," "– Purchase of Series 2023 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Prepayment of Series 2023 Special Assessments" herein for more information.

## **Payment of Series 2023 Special Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the Astor Creek Phase One Assessment Area, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2023 Special Assessments levied on such property. In addition, the Issuer would require the consent of the FDIC prior to commencing a foreclosure action.

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## ESTIMATED SOURCES AND USES OF FUNDS

### Source of Funds

Par Amount of Series 2023 Bonds	\$ _____
[Net Original Issue Premium/Discount]	[ _____ ]
 Total Sources	 \$ _____

### Use of Funds

Deposit to Series 2023 Acquisition and Construction Account	\$ _____
Deposit to Series 2023 Capitalized Interest Account <sup>(1)</sup>	_____
Deposit to Series 2023 Reserve Account	_____
Costs of Issuance, including Underwriter's Discount <sup>(2)</sup>	_____
 Total Uses	 \$ _____

\_\_\_\_\_  
(1) Includes capitalized interest through at least [\_\_\_\_\_, 20\_\_].

(2) Costs of issuance includes, without limitation, legal fees and other costs associated with the issuance of the Series 2023 Bonds.

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## DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2023 Bonds:

<b>Period Ending November 1</b>	<b>Principal</b>	<b>Interest</b>	<b>Total Debt Service</b>
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TOTALS

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## **THE ISSUER**

### **General Information**

The Issuer was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 05-21 of the City Council of the City of Port St. Lucie, Florida (the "City"), enacted on April 25, 2005, as amended by Ordinance No. 06-11 of the City Council of the City, enacted on February 13, 2006, which changed the name of the Issuer from "Montage Reserve #4 Community Development District" to "Verano #4 Community Development District" and by Ordinance No. 21-49 which amended the boundaries of the Issuer (collectively, the "Ordinance"). The Issuer is contiguous with or in close proximity to five other community development districts (each a "Verano District" and together the "Other Districts," and collectively with the Issuer, the "Districts"), each of which was created by the Ordinance enacted by the City. Together, the Districts form the development known as "Verano" (the "Master Development"), which encompasses approximately 3,062 acres of land and is located wholly within the City. District #4 contains approximately 792.345 acres of land. The Astor Creek Phase One Assessment Area is located within District #4 and contains approximately 254.987 acres, which are planned to contain 245 residential units at buildout. See "THE DEVELOPMENT" herein for more information regarding the Master Development, as well as the development plan for the Astor Creek Phase One Assessment Area therein.

### **Legal Powers and Authority**

The Issuer is an independent special-purpose unit of local government created pursuant to, and established in accordance with, the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the Issuer) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter. The Issuer is classified as an independent district under Chapter 189, Florida Statutes.

Among other provisions, the Act gives the Issuer's Board of Supervisors (the "Board") the authority to, among other things, (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for, among other things: (i) water management and control for lands within the Issuer and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) Issuer roads equal to or exceeding the specifications of the county in which such Issuer roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the Issuer; (c) impose and foreclose special assessments liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the Issuer stated in the Act. The Ordinance provides that the Issuer may construct, but will not operate, potable water or wastewater facilities unless an interlocal agreement is entered between the City and the Issuer providing that following construction the Issuer will dedicate such facilities to the City. The Issuer does not anticipate constructing such facilities.

The Act does not empower the Issuer to adopt and enforce any land use plans or zoning ordinances and the Act does not empower the Issuer to grant building permits; these functions are to be performed by general purpose local governments having jurisdiction over the lands within the Issuer.

The Act exempts all property owned by the Issuer from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any bondholders to pursue any remedy for enforcement of any lien or pledge of the Issuer in connection with its bonds, including the Series 2023 Bonds.

### **Board of Supervisors**

The governing body of the Issuer is the Board, which is composed of five Supervisors (the "Supervisors"). The Act provides that, at the initial meeting of the landowners, Supervisors must be elected by the landowners with the two Supervisors receiving the highest number of votes to serve for four years and the remaining Supervisors to serve for a two-year term. Three of the five Supervisors are elected to the Board every two years in November. At such election the two Supervisors receiving the highest number of votes are elected to four-year terms and the remaining Supervisor is elected to a two-year term. Until the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the Issuer, the Supervisors are elected by vote of the landowners of the Issuer. Ownership of the land within the Issuer entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number and, for purposes of determining voting interests, platted lots shall be counted individually and rounded up to the nearest whole acre and shall not be aggregated for determining the number of voting units held). Upon the later of six (6) years after the initial appointment of Supervisors or the year in which there are at least 250 qualified electors in the Issuer, the Supervisors whose terms are expiring will be elected (as their terms expire) by qualified electors of the Issuer, except as described below. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the Issuer and the State of Florida and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, both to four-year terms, and a third supervisor is elected by vote of the landowners of the Issuer to a four-year term. Thereafter, as terms expire, all Supervisors must be qualified electors and are elected to serve four-year terms. If there is a vacancy on the Board, whether as a result of the resignation or removal of a Supervisor or because no elector qualifies for a seat to be filled in an election, the remaining Board members are to fill such vacancy for the unexpired term.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be qualified electors and shall be elected by qualified electors in the Issuer. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act. At the time of the sale of the Series 2023 Bonds, the Developer owns the majority of the land in the Issuer and the Other Districts.

The Act provides that it shall not be an impermissible conflict of interest under Florida law governing public officials for a Supervisor to be a stockholder, officer or employee of a landowner or of any entity affiliated with a landowner.

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The current members of the Board and the expiration of the term of each member are set forth below:

<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
John C. Csapo*	Chair	November 2026
Derek Fenech*	Vice-Chair	November 2026
Scott Morton*	Assistant Secretary	November 2024
Darren Weimer*	Assistant Secretary	November 2024
Michael Caputo*	Assistant Secretary	November 2024

\* Employee of an affiliate of the Developer.

A majority of the members of the Board constitutes a quorum for the purposes of conducting its business and exercising its powers and for all other purposes. Action taken by the Issuer shall be upon a vote of a majority of the members present unless general law or a rule of the Issuer requires a greater number. All meetings of the Board are open to the public under Florida's open meeting or "Sunshine" law.

### **The District Manager and Other Consultants**

The chief administrative official of the Issuer and the Other Districts is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the Issuer and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the Issuer, and for performing such other duties as may be prescribed by the Board.

The Issuer has retained Government Management Services – South Florida, LLC, Ft. Lauderdale, Florida to serve as its district manager ("District Manager"). The District Manager's office is located at 5385 North Nob Hill Road, Sunrise, Florida 33351, telephone number (954) 721-8681.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the Issuer has employed the services of Greenberg Traurig, P.A., West Palm Beach, Florida, as Bond Counsel; AECOM Technical Services, Inc., West Palm Beach, Florida, as District Engineer; and Gonano & Harrell, Fort Pierce, Florida, as Issuer Counsel. The Board has also retained the District Manager to serve as Methodology Consultant and to prepare the Assessment Methodology and to serve as Dissemination Agent for the Series 2023 Bonds.

### **Outstanding Bond Indebtedness**

The Districts have the following bonds currently outstanding:

District #1 issued its \$8,035,000 Special Assessment Bonds, Series 2015 (2015 District #1 Project) (the "Series 2015 Bonds") on June 22, 2015, which are outstanding in the aggregate principal amount of \$7,155,000 as of February 7, 2023, and which are secured by the Series 2015 Special Assessments. The Series 2015 Special Assessments were initially levied on 2,666.48 gross acres within the Districts (excluding the lands in the Center District and a portion of the lands in District #1), but have since been fully assigned to platted lots in District #1. The lands subject to the Series 2015 Special Assessments are separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

District #1 issued its \$8,160,000 Senior Special Assessment Refunding Bonds, Series 2017 (Community Infrastructure Projects) and its \$555,000 Subordinate Special Assessment Refunding Bonds, Series 2017 (Community Infrastructure Projects) on May 3, 2017 (collectively, the "Series 2017 Refunding

Bonds"), which are outstanding in the aggregate principal amount of \$7,030,000, as of February 7, 2023. The Series 2017 Refunding Bonds refunded bonds issued in 2006 by the Center District in the original principal amount of \$55,780,000 to finance a portion of the public infrastructure within the Master Development (as further defined herein, the "2006 Project"). The Series 2017 Refunding Bonds are secured by the Series 2006 Special Assessments, which are levied on a portion of the lands in District #1 and the lands in the Center District, all of which lands are separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

District #2 issued its \$5,350,000 Special Assessment Bonds, Series 2017 (District #2 Pod A Project) (the "Series 2017 Pod A Bonds"), its \$4,220,000 Special Assessment Bonds, Series 2017 (District #2 Pod B Project) (the "Series 2017 Pod B Bonds") and its \$6,400,000 Special Assessment Bonds, Series 2017 (District #2 Pod C Project) (the "Series 2017 Pod C Bonds" and together with the Series 2017 Pod A Bonds and the Series 2017 Pod B Bonds, the "Series 2017 Bonds") on December 21, 2017, which are outstanding in the aggregate principal amounts of \$4,970,000, \$3,905,000 and \$2,800,000, respectively, as of February 7, 2023, and which are secured by the Series 2017 Pod A Special Assessments, the Series 2017 Pod B Special Assessments and the Series 2017 Pod C Special Assessments, respectively, all of which are levied on a portion of the lands in District #2 constituting Pod A, Pod B and a portion of Pod C, respectively. The lands subject to the Series 2017 Pod A Special Assessments, the Series 2017 Pod B Special Assessments and the Series 2017 Pod C Special Assessments are separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

District #2 issued its \$3,765,000 Special Assessment Bonds, Series 2020 (District #2 Pod C – 2020 Project) (the "Series 2020 Pod C Bonds"), its \$4,955,000 Special Assessment Bonds, Series 2020 (District #2 Pod D Project) (the "Series 2020 Pod D Bonds"), and its \$3,735,000 Special Assessment Bonds, Series 2020 (District #2 Pod E Project) (the "Series 2020 Pod E Bonds" and together with the Series 2020 Pod C Bonds and the Series 2020 Pod D Bonds, the "Series 2020 Bonds") on March 12, 2020, which are outstanding in the aggregate principal amounts of \$3,620,000, \$4,760,000 and \$3,590,000, respectively, as of February 7, 2023, and which are secured by the Series 2020 Pod C Special Assessments, the Series 2020 Pod D Special Assessments and the Series 2020 Pod E Special Assessments, respectively, all of which are levied on a portion of the lands in District #2 constituting a portion of Pod C, Pod D and Pod E, respectively. The lands subject to the Series 2020 Pod C Special Assessments, the Series 2020 Pod D Special Assessments and the Series 2020 Pod E Special Assessments are separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

District #3 issued its \$9,710,000 Special Assessment Bonds, Series 2021 (Phase 1 Assessment Area) (the "Series 2021 Bonds") on May 6, 2021, which are outstanding in the aggregate principal amount of \$9,510,000 as of February 7, 2023, and which are secured by the Series 2021 Special Assessments, which are levied on a portion of the lands in District #3 constituting Pods 1, 4 and 5 within District #3. The lands subject to the Series 2021 Special Assessments are separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

District #3 issued its \$9,015,000 Special Assessment Bonds, Series 2022 (Phase 2 Assessment Area) (the "Series 2022 Bonds") on November 15, 2022, which are outstanding in the aggregate principal amount of \$9,015,000 as of February 7, 2023, and which are secured by the Series 2022 Special Assessments, which are levied on a portion of the lands in District #3 constituting Pod, 6, Pod 7 and the Townhome South Pod within District #3. The lands subject to the Series 2022 Special Assessments are

separate and distinct from the lands in the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments securing the Series 2023 Bonds.

For more information regarding the projects funded by the Districts' bonds described above, see "THE CAPITAL IMPROVEMENT PROGRAM AND THE PROJECTS" herein.

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## **THE CAPITAL IMPROVEMENT PROGRAM AND THE PROJECTS**

### **Districts' Capital Improvement Program**

In 2006, the Center District issued \$55,780,000 in bonds to finance a portion of the public infrastructure within the Master Development (the "2006 Project"). The 2006 Project consisted of public infrastructure to serve development for the 2006 Project Area, which consists of approximately 24 acres of commercial and industrial lands and eight acres of amenities in the Center District, and for 558 residential units and amenities located within District #1. The 2006 Project is complete. District #1 issued its \$8,715,000 Series 2017 Refunding Bonds on May 3, 2017 to refinance the outstanding Center District bonds.

The Districts adopted a new capital improvement program pursuant to the Master's Engineer's Report for the Public Infrastructure Serving the Verano Community Development Districts dated November 17, 2005 and amended March 5, 2015 (the "Master Engineer's Report"), which has been further supplemented, amended and restated. The Master Engineer's Report was prepared by AECOM Technical Services, Inc. (the "District Engineer").

In 2015, District #1 issued its \$8,035,000 Series 2015 Bonds to finance the remaining portion of public infrastructure in District #1 (the "2015 Project"). The 2015 Project is complete. The Series 2015 Bonds are secured by the Series 2015 Special Assessments, which have been assigned to 481 platted lots in District #1.

In 2017, District #2 issued its \$5,350,000 Series 2017 Pod A Bonds, its \$4,220,000 Series 2017 Pod B Bonds, and its \$6,400,000 Series 2017 Pod C Bonds to finance public infrastructure improvements associated with Pod A, Pod B, and a portion of Pod C, respectively (collectively, the "2017 Projects"). The Series 2017 Pod A Bonds are secured by special assessments levied on Pod A of the District #2 Lands, which contain 270 single-family platted lots. The Series 2017 Pod B Bonds are secured by special assessments levied on Pod B of the District #2 Lands, which contain 245 single-family platted lots. The Series 2017 Pod C Bonds are secured by special assessments levied on 213 of the single-family platted lots within Pod C of the District #2 Lands. The 2017 Projects are complete.

In 2020, District #2 issued its \$3,765,000 Series 2020 Pod C Bonds, its \$4,955,000 Series 2020 Pod D Bonds, and its \$3,735,000 Series 2020 Pod E Bonds to finance public infrastructure improvements associated with a portion of Pod C, Pod D, and Pod E, respectively (collectively, the "2020 Projects"). The Series 2020 Pod C Bonds are secured by special assessments levied on the remaining 216 single-family platted lots within Pod C. The Series 2020 Pod D Bonds are secured by special assessments levied on Pod D of the District #2 Lands, which contain 210 single-family platted lots. The Series 2020 Pod E Bonds are secured by special assessments levied on Pod E of the District #2 Lands, which contain 215 single-family platted lots. The 2020 Projects are substantially complete.

In 2021, District #3 issued its \$9,710,000 Series 2021 Bonds to finance a portion of the public infrastructure improvements associated with Pods 1, 2, 3, 4, 5 and the Commercial Pod within District #3 (the "Phase 1 Assessment Area Project"). The Series 2021 Bonds are secured by the Series 2021 Special Assessments levied on the 435 platted lots which comprise Pods 1, 4, and 5 within District #3 (the "Phase 1 Assessment Area"). The Phase 1 Assessment Area Project is substantially complete.

In 2022, District #3 issued its \$9,015,000 Series 2022 Bonds to finance a portion of the public infrastructure improvements associated with Pods 6 and 7 and the Townhome South Pod within District #3 (the "Phase 2 Assessment Area Project"). The Series 2022 Bonds are secured by the Series 2022 Special Assessments levied on the 751 lots planned in Pods 6 and 7 and the Townhome South Pod within District

#3 (the "Phase 2 Assessment Area"). The Phase 2 Assessment Area Project is underway, with completion expected in the third quarter of 2023.

See "THE ISSUER – Outstanding Bond Indebtedness" herein for more information about the Districts' outstanding bonds and "THE DEVELOPMENT – Update on the Master Development and Prior Projects" herein for more information on each of the above projects.

### **Astor Creek Phase One Project**

The Master Engineer's Report has been further amended and restated pursuant to the Supplemental Engineer's Report for Certain Public Infrastructure Serving the Verano #4 Community Development District approved February 16, 2023, as revised March 2, 2023 (the "Supplemental Engineer's Report" and together with the Master Engineer's Report, the "Engineer's Report") by the District Engineer. A copy of the Supplemental Engineer's Report is attached hereto as APPENDIX C.

The lands within District #4 are being developed into a bundled-golf residential community to be known as the "Astor Creek Country Club" (the "Development"). Land development for the land within District #4 will occur in approximately four phases. The first phase of land development consists of 254.987 acres, which are planned to contain 245 residential units at buildout (the "Astor Creek Phase One Assessment Area"). The Series 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with the Astor Creek Phase One Assessment Area (the "Astor Creek Phase One Project").

The District Engineer estimates the total approximate cost of the Astor Creek Phase One Project to be approximately \$8,770,400, as more particularly described below. The table below does not include certain private development costs. See "THE DEVELOPMENT – Development Finance Plan" for the Developer's estimates of such additional private development costs.

<b>Infrastructure Category</b>	<b>Neighborhood</b>	<b>Master</b>	<b>Total</b>
Roadways	--	\$ 144,700	\$ 144,700
Stormwater Management	\$1,582,200	2,361,900	3,944,100
Utilities	3,052,100	913,500	3,965,800
Streetscape & Landscaping	--	66,200	66,200
Professional Fees	370,800	279,000	649,800
<b>Total</b>	<b>\$5,005,100</b>	<b>\$3,764,300</b>	<b>\$8,770,400</b>

All of the lands in District #4 have been mass graded, and stormwater pond excavation is complete. Construction of the golf course is underway, with completion expected in June 2023. Land development associated with the Astor Creek Phase One Assessment Area is underway, with final completion expected by July 2023. Twenty-one lots within the Astor Creek Phase One Assessment Area, which are planned as model home lots and a sales and design center, were platted on January 19, 2023. The remaining 224 lots were platted on February 17, 2023. See "THE DEVELOPMENT – Development Plan and Status" herein for more information. As of February 21, 2023, the Developer has spent approximately \$29.66 million in development costs within District #4. See "THE DEVELOPMENT – Development Finance Plan" herein for more information.

The net proceeds of the Series 2023 Bonds available for the Astor Creek Phase One Project will be approximately \$4.47 million\* and such proceeds will be used by District #4 towards the funding and/or

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\* Preliminary, subject to change.

acquisition of a portion of the Astor Creek Phase One Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Astor Creek Phase One Project or the Construction of Homes within the Astor Creek Phase One Assessment Area" and "THE DEVELOPMENT – Developer Agreements" herein.

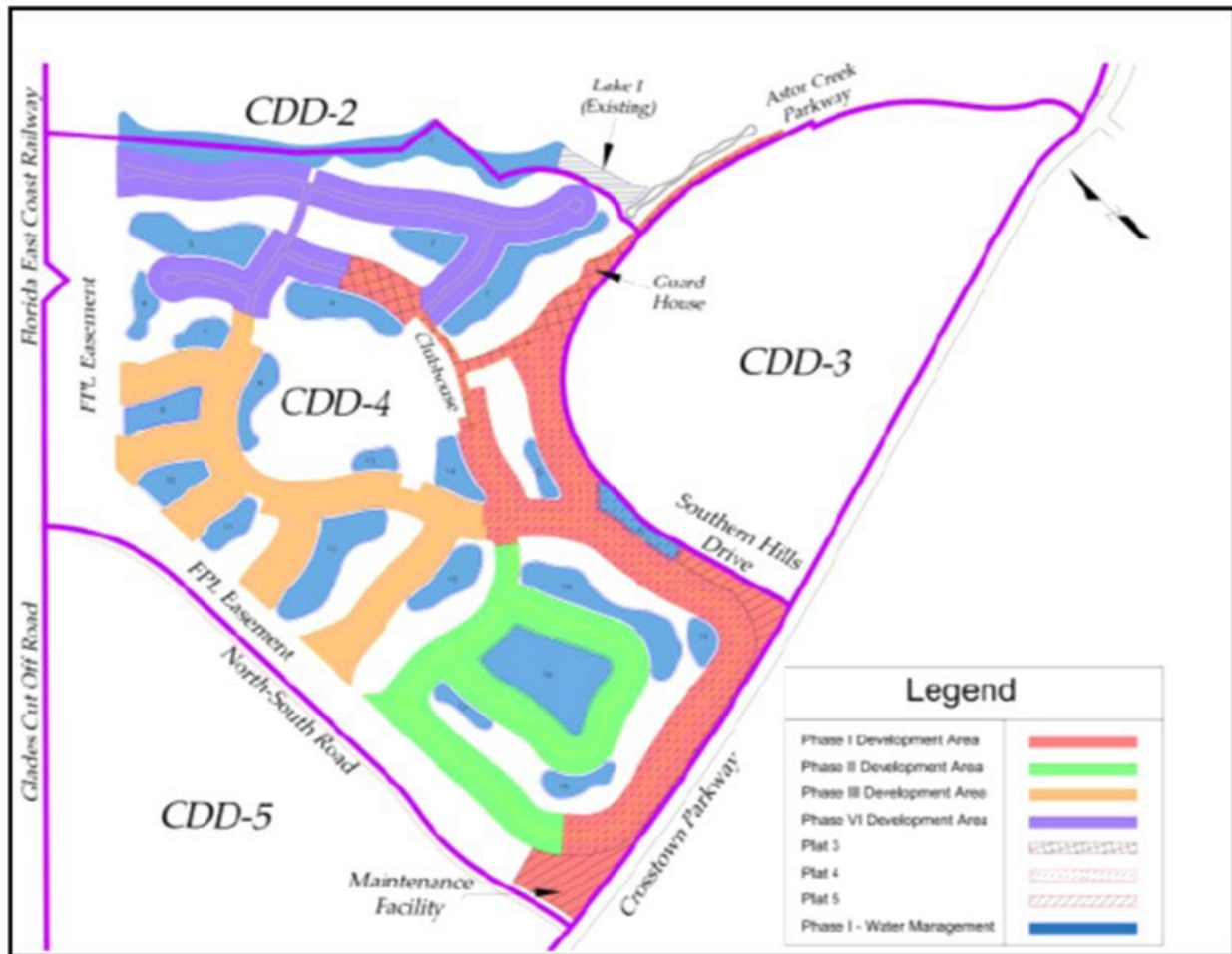
The District Engineer has indicated that all permits necessary to construct the Astor Creek Phase One Project have either been obtained or are expected to be obtained in the ordinary course. See "APPENDIX C: SUPPLEMENTAL ENGINEER'S REPORT" for more information on the Public Infrastructure and the Astor Creek Phase One Project. See "THE DEVELOPMENT" herein for more information on the status and construction of the Astor Creek Phase One Assessment Area and certain development approvals. See also "BONDOWNERS' RISKS" herein.

The Districts (other than the Center District) anticipate issuing additional bonds in the future to finance public infrastructure improvements. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2023 BONDS – Additional Obligations" and "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" for more information.

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Set forth below is a sketch showing the general location of District #4 and the Astor Creek Phase One Assessment Area therein (shown as the "Phase 1 Development Area" below).



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## ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

### General

The Master Assessment Methodology for Public Infrastructure for District #1, District #2, District #3, District #4 and District #5, dated April 9, 2015 (the "Master Assessment Methodology"), as supplemented by the Preliminary Sixth Supplemental Assessment Methodology for the Series 2023 Bonds dated February 16, 2023 (the "Supplemental Assessment Methodology" and, together with the Master Methodology, the "Assessment Methodology") describes the methodology for allocation of the Series 2023 Special Assessments to lands within the Astor Creek Phase One Assessment Area. The Assessment Methodology has been prepared by Government Management Services – South Florida, LLC, Ft. Lauderdale, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Supplemental Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2023 Bonds are determined, the Supplemental Assessment Methodology will be amended or supplemented to reflect such final terms. Once levied and imposed, the Series 2023 Special Assessments are a first lien on the land against which assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the Issuer and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

### Astor Creek Phase One Assessment Area

The Series 2023 Bonds are payable from and secured by a pledge of the Series 2023 Pledged Revenues, which consist primarily of the revenues received by the Issuer from the levy of the Series 2023 Special Assessments. The Series 2023 Special Assessments are initially being levied on the 245 platted lots within the Astor Creek Phase One Assessment Area, in accordance with the Assessment Methodology. See APPENDIX D: SUPPLEMENTAL ASSESSMENT METHODOLOGY" for more information.

The estimated annual Series 2023 Special Assessments allocated to platted units to pay debt service on the Series 2023 Bonds and the estimated total Series 2023 Bond par per unit are expected to be as follows, per product type:

<b>Product Type</b>	<b>Units</b>	<b>Series 2023 Par per Unit*</b>	<b>Annual Series 2023 Special Assessment per Unit*</b>
SF - 50's	53	\$19,092	\$1,350
SF - 60's	93	\$21,920	\$1,550
SF - 70's	64	\$24,041	\$1,700
SF - 80's	<u>35</u>	\$25,455	\$1,800
<b>TOTAL</b>	<b>245</b>		

\* Preliminary, subject to change. When collected via the Uniform Method, Series 2023 Special Assessment levels will be grossed up to cover early payment discounts and county collection fees, currently 8%.

The Districts currently levy special "maintenance" assessments to cover operation, maintenance and administrative costs. The Issuer currently expects that the maintenance assessments in the Astor Creek Phase One Assessment Area will range from approximately \$157 to approximately \$211 per unit annually, based on lot size, which amounts are subject to change. Pursuant to the Interlocal Agreement, all maintenance assessments throughout the Master Development will be levied by District #5 acting as the designated Administration District. The land within District #4 has been and is expected to be subject to taxes and assessments imposed by taxing authorities other than the Districts. The total millage rate in the Districts for 2022 was approximately 22.8652 mills, which is subject to change in future tax years. These taxes would be payable in addition to the Series 2023 Special Assessments and any other assessments levied

by the Districts. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School District of St. Lucie County, Florida may each levy ad valorem taxes upon the land in the Districts. The Issuer has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein for more information.

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*The information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by Bond Counsel, District #4 or its counsel, or the Underwriter or its counsel, and no persons other than the Developer make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Developer as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Developer is not guaranteeing payment of the Series 2023 Bonds or the Series 2023 Special Assessments.*

## **THE DEVELOPMENT**

### **General**

The Districts are being developed together as a highly amenitized, master-planned residential community, along with certain commercial uses, called "Verano" that encompasses approximately 3,062 acres located within the jurisdictional limits of the City (the "Master Development"). The boundaries of the Master Development are coterminous with the boundaries of the Districts. The Master Development holds entitlements to include approximately 7,200 single-family, villa and multifamily residential units; a 300-space recreational vehicle (RV) park; 50 assisted living units; a 300-room hotel; 848,500 square feet of retail space; 100,000 square feet of office space; 36 holes of championship golf course with 100,000 square feet of clubhouse facilities and amenities; and a 48-acre dedicated school site.

The Master Development is located approximately 1.25 miles to the south of the Interstate 95/St. Lucie West Boulevard interchange via the Crosstown Parkway. Access to the Master Development is provided by Interstate 95 (via Reserve Boulevard and Commerce Center Drive South) to the west and north, Glades Cut-Off Road to the west and to the east and west by the Crosstown Parkway. Beaches are approximately 15 miles east of the Master Development. Retail shops and restaurants are located within three miles of the Master Development to the northeast and to the south.

Land development within the Master Development commenced in 2006. As of February 10, 2023, over \$175 million has been spent on land development activities, including the construction of extensive amenities. See "-Amenities" herein for more information. As of March 2023, approximately 1,881 homes have been closed with homebuyers with another approximately 270 homes under contract with homebuyers within the Master Development. See "-Update on the Master Development and Prior Projects" below for more information. Over the last 12 months, approximately 376 homes have been sold at an average sales price of \$532,497.

The lands within District #4 are being developed into a highly-amenitized, gated bundled-golf residential community to be known as the "Astor Creek Country Club" (the "Development"). Land development associated with the Development will occur in approximately four phases. The first phase of land development associated with the Development consists of 254.987 acres, which are planned to contain 245 residential units at buildout (the "Astor Creek Phase One Assessment Area"). The Series 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with the Astor Creek Phase One Assessment Area (the "Astor Creek Phase One Project"). The Series 2023 Special Assessments that secure the Series 2023 Bonds will, at issuance, be levied on the 245 platted lots within the Astor Creek Phase One Assessment Area, in accordance with the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: SUPPLEMENTAL ASSESSMENT METHODOLOGY" hereto for more information.

The aerial photographs below shows the location and development status of the Astor Creek Phase One Assessment Area and the Development as of February 20, 2023.



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Astor Creek Development LLC, a Florida limited liability company (the "Developer"), is the land developer of and homebuilder for the land in the Astor Creek Phase One Assessment Area. Verano Development LLC, a Delaware limited liability company (the "Master Developer"), is the Master Developer of the Master Development. The Developer and the Master Developer are managed by the Kolter Group (as defined herein). See "THE DEVELOPER" for more information.

The Astor Creek Phase One Assessment Area is planned to contain 245 single-family homes at buildout, consisting of (i) 53 homes on 50' wide lots, (ii) 93 homes on 60' wide lots, (iii) 64 homes on 70' wide lots, and (iv) 35 homes on 80' wide lots. Homes within the Astor Creek Phase One Assessment Area are expected to range in size from 1,968 square feet to 4,222 square feet, with starting selling prices ranging from \$623,490 to \$920,990, based on lot size. The target market for homes within the Astor Creek Phase One Assessment Area is primarily comprised of move-up buyers. See " – Residential Product Offerings" herein for more information.

### **Update on the Master Development and Prior Projects**

The table set forth below summarizes the status of development with respect to the prior assessment areas in the Master Development as of March 2023:

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	District #1 Series 2017A	District #1 Series 2015	District #2 Series 2017 (Pod A)	District #2 Series 2017 (Pod B)	District #2 Series 2017 (Pod C)	District #2 Series 2020 (Pod C)	District #2 Series 2020 (Pod D)	District #2 Series 2020 (Pod E)	District #3 Series 2021 (Phase 1)	District #3 Series 2022 (Phase 2)	Total
Area	2006	2015	Pod A	Pod B	Pod C – 2017	Pod C – 2020	Pod D	Pod E	Phase 1	Phase 2	Total
Project Name	Verano	Verano	Verano	Cresswind (active adult)	Crosstown Commons	Crosstown Commons	Verano	Verano	Central Park	Central Park	
Developer	Kolter Homes	Kolter Homes	Kolter Homes	Kolter Homes	Kolter Land	Kolter Land	Kolter Homes	Kolter Homes	Kolter Land/DK Central Park	Kolter Land/DK Central Park	
Homebuilders	Kolter Homes	Kolter Homes	Kolter Homes	Kolter Homes	D.R. Horton / Maronda / NVR	D.R. Horton / Maronda / NVR	Kolter Homes	Kolter Homes	D.R. Horton / Maronda / NVR / Taylor Morrison / K. Hovnanian	D.R. Horton / Maronda / NVR / Taylor Morrison / Kolter Multifamily/ K. Hovnanian/ Stellar Homes	
Par Outstanding	\$7.03 mm	\$7.155 mm	\$4.97 mm	\$3.905 mm	\$2.8 mm	\$3.62 mm	\$4.76 mm	\$3.59 mm	\$9.51 mm	\$9.015 mm	\$56.355 mm
Lots Planned	558	481	270	245	213	216	210	215	435	751	3,594
Lots Developed	558	481	270	245	213	216	210	215	435	14	2,857
Lots Platted	558	481	270	245	213	216	210	215	435	531	3,374
Lots Closed with Builders (If Applicable)	N/A	N/A	N/A	N/A	213	213	N/A	N/A	263	82	771
Homes Closed w/ Homebuyers	558	440	255	234	206	152	12	24	0	0	1,881
Homes Contracted (Not Closed ) with Homebuyers	N/A	5	3	9	7	56	124	51	15	0	270

## **Land Acquisition**

The Master Developer, which is affiliated with the Developer, acquired the lands in the Master Development in a series of transactions from 2001 through 2011. The combined aggregate purchase price of all the land in the Master Development was approximately \$36 million. The Master Developer transferred its interest in the Astor Creek Phase One Assessment Area to the Developer in June 2022.

## **Development Finance Plan**

In excess of \$175 million has been spent on development costs at Verano as of February 2023. The total costs to develop the land within District #4 (i.e., Astor Creek Country Club), including the golf course, is approximately \$100 million. As of February 21, 2023, approximately \$29.66 million has been spent which includes: (i) clearing, mass grading and pond excavation for all 254 acres, (ii) master infrastructure improvements and entry features, (iii) golf course construction and (iv) onsite infrastructure for the Astor Creek Phase One Assessment Area.

Land development costs and vertical construction, including the amenities described herein, are being financed in part with a development and construction loan (collectively, the "M&T Loan") provided by Manufacturers and Traders Trust Company (the "Lender"). The M&T Loan is in the aggregate principal amount of \$86,460,000, consisting of: (i) an "Initial Phase Note" in the amount of \$25,460,000, (ii) a "Master Infrastructure Note" in the amount of \$25,000,000 and (iii) a "Construction Note" in the amount of \$36,000,000 (collectively, the "M&T Loan"). The Initial Phase Note and the Master Infrastructure Note each bear interest at a rate equal to the greater of 350 basis points above SOFR or 5.0% per annum. The Construction Note bears interest at rate equal to the greater of 325 basis points above SOFR or 4.75% per annum. The M&T Loan has a maturity date of October 28, 2025, which may be extended to October 28, 2026 upon the payment of an extension fee as further set forth in the M&T Loan. The M&T Loan also provides for lot release prices.

Onsite land development costs for the 245 lots planned for the Astor Creek Phase One Assessment Area are expected to be approximately \$15 million, which includes the Astor Creek Phase One Project as well as private roadway costs. As of February 21, 2023, the Developer has spent approximately \$5.9 million toward onsite land development associated with the Astor Creek Phase One Assessment Area. Net proceeds of the Series 2023 Bonds in the approximate amount of \$4.47 million\* will be available for the construction or acquisition of the Astor Creek Phase One Project, with the remaining costs expected to be funded with proceeds of the M&T Loan. The Developer has entered into a Completion Agreement obligating the Developer to complete the Astor Creek Phase One Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Astor Creek Phase One Project or the Construction of Homes within the Astor Creek Phase One Assessment Area" and " – Developer Agreements" herein for more information.

## **Development Plan and Status**

The land in District #4 has been cleared and mass graded, and stormwater pond excavation is complete. Construction of the golf course is underway and expected to be complete by June 2023. See "– Amenities" herein. Land development associated with the Astor Creek Phase One Assessment Area is underway, with final completion expected by July 2023. Twenty-one lots within the Astor Creek Phase One Assessment Area, which are planned to contain 11 model homes and a sales and design center, were platted on January 19, 2023. The remaining 224 lots were platted February 17, 2023. Vertical construction of

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\* Preliminary, subject to change.



homes within the Astor Creek Phase One Assessment Area is anticipated to begin in February 2023, with the construction of the 11 homes anticipated to serve as model units.

Sales to homebuyers are expected to commence in July 2023, with closings anticipated to begin in the fourth quarter of 2023. It is expected that approximately 120 homes will be sold and closed per year until buildout. These anticipated absorption rates are based upon estimates and assumptions made by the Developer that are inherently uncertain, though considered reasonable by the Developer, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer. As a result, there can be no assurance such absorption rates will occur or be realized in the time frames anticipated.

### Residential Product Offerings

The following table reflects the Developer's current expectations for the 245 single-family homes that are expected to be constructed by the homebuilders in the Astor Creek Phase One Assessment Area, along with the estimated number of bedrooms and bathrooms, estimated square footage, and estimated home prices, all of which are subject to change. Eighty percent of the homesites within the Development are planned to have either views of the golf course or water. All homes are expected to include high-volume ceilings, expansive windows and modern, open floorplan concepts. Target customers for the Development are primarily move-up buyers.

<b>Product Type</b>	<b>Units</b>	<b>Estimated Beds/Baths</b>	<b>Estimated Square Footage</b>	<b>Estimated Starting Home Prices</b>
SF - 50's	53	3/2.5	1,968 – 2,289	\$623,490
SF - 60's	93	3/3.5	2,323 – 2,776	\$723,740
SF - 70's	64	3/3.5	2,876 – 3,265	\$846,657
SF - 80's	<u>35</u>	4/4.5	3,765 – 4,222	\$920,990
<b>TOTAL</b>	<b>245</b>			

### Zoning and Permitting

The Master Development is situated with the Verano Development of Regional Impact (formerly the PGA Village Development of Regional Impact) (the "DRI"), which is governed by the Development Order approved by the City in Resolution No. 03-R68, as subsequently amended by Resolution Nos. 03-R96, 09-R49, 09-R138, 10-R31, 12-R102, 18-R01, and as most recently amended by Resolution No. 212-R01, adopted January 11, 2021 (the "DO"). The DRI currently approves 7,200 dwelling units; a 300 vehicle space recreational vehicle (RV) park; 50 assisted living units; 848,500 square feet of retail and service space; 100,000 square feet of office space; 300 hotel rooms; up to 2 golf courses with 100,000 square feet of ancillary golf-related facilities such as a clubhouse, dining, pro shop, cart storage and maintenance facility; and a 48-acre public school site. According to the DO, the build-out date for the DRI is December 31, 2030.

On January 25, 2021, the City passed Ordinance 21-02 rezoning 1,256.25 acres of property located south of the C-24 canal, east of Range Line Road, West of I-95 and north of the Crosstown Parkway, from AG-5 (SLC Agriculture -5) to the PUD Zoning District and amending the zoning for 96.4 acres for Verano South POD G PUD. The City also has approved plats for all of Verano South P.U.D. 1 – POD G – Plat No. 3 (Plat Book 101, Pages 25-33), and Verano South P.U.D. 1 – POD G – Plat No. 4 (Plat Book 113, Pages 11-23), platting all of the 245 single-family lots within the Astor Creek Phase One Assessment Area.

Federal, State and local permits and site and construction plan approvals are required prior to the construction of the Public Infrastructure, including without limitation the lands in the Astor Creek Phase

One Assessment Area. Conceptual environmental resource permits for the design of the water management system for the entire DRI have been obtained from the South Florida Water Management District ("SFWMD"). Within the Astor Creek Phase One Assessment Area, the Developer has obtained construction approval from the SFWMD for mass grading and development. See "APPENDIX C: SUPPLEMENTAL ENGINEER'S REPORT" for additional information on the status of permits for the Development as a whole.

The District Engineer has indicated that all permits necessary to construct the Astor Creek Phase One Project have been obtained or are expected to be obtained in the ordinary course. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein.

## **Environmental**

Between March 13, 2000 and February 12, 2003, affiliates of the Developer obtained multiple Phase I Environmental Site Assessments (collectively, the "Prior Phase I ESAs") prepared by Dunkelberger Engineering & Testing, Inc. for all of the lands within the Districts. The Prior Phase I ESAs identified several recognized environmental conditions associated with the lands' prior and then-existing agricultural uses, which included the presence of pumping stations, oil and agri-chemical storage and mixing, burning of chemical containers, the presence of above-ground storage tanks, and the application of herbicides, pesticides, fungicides and fertilizers. A Phase II Environmental Site Assessment ("Phase II") was performed in May 2020 in connection with certain lands in the Districts (located outside of District #4), to address certain recognized environmental conditions identified in earlier Phase I ESAs. The Phase II concluded that unsaturated soil and shallow groundwater in the areas tests were not adversely impacted above state clean up levels. The Phase II recommendation was that no further assessment of the soil or groundwater is warranted for such lands.

In addition, on May 5, 2022, the Developer obtained its own Phase I Environmental Site Assessment (the "2022 Phase I ESA"), which encompassed approximately 785 acres of the total 792 acres within District #4. The 2022 Phase I ESA revealed no recognized environmental conditions within such lands. See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Amenities**

The Master Developer completed construction of a 12,000-square foot clubhouse in 2010, which is located within District #1 and includes a fitness center, indoor and outdoor pools, four tennis courts, and two bocce courts. The approximate cost to construct the clubhouse was approximately \$5 million. The Master Developer has also constructed a 19,300 square foot social club with a ballroom, card room, arts and crafts and other amenities that opened in October 2015. The cost to construct the social club was approximately \$7.5 million. The Master Developer plans to construct additional amenities in future phases of the Master Development, which will be available to all residents of the Master Development. A Racquet Club in District #2 Pod A containing 27 pickleball courts and event area was completed in November 2019 at an approximate cost of \$2.1 million. Future expansion of this area will include more tennis courts and other amenities. District #2 Pod C contains a pool, cabana and related parking areas that were completed in June 2020 at an approximate cost of \$1.2 million.

Being marketed as a mandatory bundled golf community, Astor Creek Country Club is expected to contain its own separate amenities including a signature 18-hole golf course, 15-acre grass driving range, 3-acre short game complex, a 15,000-square foot practice putting green, 16 pickleball courts, 4 tennis courts, and a 24,000-square foot clubhouse equipped with a pro shop, fitness facilities, dining options, and a resort style pool (collectively the "Astor Creek Amenities"). Construction of the golf course is underway

and is expected to be completed and open for public use by June 2023, at a total approximate cost to complete of \$16,833,396, of which approximately \$11.2 million has been spent as of February 2023. Construction of the remaining portions of the Astor Creek Amenities has commenced and is expected to be completed by November 2024, at a total approximate cost of \$21,157,524, which will be funded with proceeds of the M&T Loan.

## Utilities

Water and wastewater services for the Development will be provided by the City. Electrical service for the Development is expected to be provided by Florida Power & Light Company.

## Taxes, Fees and Assessments

The Series 2023 Bonds are payable from and secured by a pledge of the Series 2023 Pledged Revenues, which consist primarily of the Series 2023 Special Assessments. The Series 2023 Special Assessments will at issuance be levied on the 245 platted lots which comprise the Astor Creek Phase One Assessment Area on a per unit as set forth in the Assessment Methodology and as follows, per product type: See APPENDIX D: SUPPLEMENTAL ASSESSMENT METHODOLOGY" for more information.

<b>Product Type</b>	<b>Units</b>	<b>Series 2023 Par per Unit*</b>	<b>Annual Series 2023 Special Assessment per Unit*</b>
SF - 50's	53	\$19,092	\$1,350
SF - 60's	93	\$21,920	\$1,550
SF - 70's	64	\$24,041	\$1,700
SF - 80's	35	\$25,455	\$1,800
<b>TOTAL</b>	<b>245</b>		

\* Preliminary, subject to change. When collected via the Uniform Method, Series 2023 Special Assessment levels will be grossed up to cover early payment discounts and county collection fees, currently 8%.

The Districts currently levy special "maintenance" assessments to cover operation, maintenance and administrative costs. The Issuer currently expects that the maintenance assessments in the Astor Creek Phase One Assessment Area will range from approximately \$157 to approximately \$211 per unit annually, based on lot size, which amounts are subject to change. Pursuant to the Interlocal Agreement, all maintenance assessments throughout the Master Development will be levied by District #5 acting as the designated Administration District.

In addition, residents will be required to pay homeowners' association fees estimated to be approximately \$238 per residential lot monthly, plus golf course fees estimated to be \$375 per residential lot monthly, which amounts are subject to change. The land within District #4 has been and is expected to be subject to taxes and assessments imposed by taxing authorities other than District #4. The total millage rate in the Districts for 2022 was approximately 22.8652 mills, which is subject to change in future tax years. These taxes would be payable in addition to the Series 2023 Special Assessments and any other assessments levied by the Districts. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the City, the County and the School District of St. Lucie County, Florida may each levy ad valorem taxes upon the land in the Districts. The Issuer has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "BONDOWNERS' RISKS – Other Taxes and Assessments" herein.

## **Education**

The public schools for children residing in the Master Development are expected to be Bayshore Elementary, Manatee Academy K-8, Oak Hammock K-8, St. Lucie West K-8, Windmill Point Elementary, or West Gate K-8, and St. Lucie West Centennial High School or Treasure Coast High School, which are located approximately 5.2 miles, 3.1 miles, 4.3 miles, 4.2 miles, 7 miles, 6.7 miles, 3.9 miles and 7.5 miles from the Master Development, respectively, and which were rated C, B, C, B, B, B, B and A, respectively, by the Florida Department of Education in 2022. The St. Lucie County School Board may change school boundaries from time to time and there is no requirement that students residing in the Master Development be permitted to attend the schools which are closest to the Master Development.

## **Competition**

The Master Development is expected to compete with projects in the County market generally, which include Vitalia at Tradition, Townpark at Tradition, Lake Park at Tradition, Del Webb at Tradition, the Estates at Tradition, Veranda Gardens and GL Valencia Cay. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Master Development.

## **Developer Agreements**

As a successor in interest to the Master Developer with respect to the land in the Astor Creek Phase One Assessment Area, the Developer will be subject to an existing Completion Agreement obligating the Developer to complete the Astor Creek Phase One Assessment Area Project.

In addition, the Developer and District will enter into a Collateral Assignment and Assumption of Development Rights Relating to the Issuer's Astor Creek Phase One Assessment Area (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the Issuer, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, development rights relating to the Astor Creek Phase One Project. The Master Developer has previously granted similar rights with respect to the 2015 Project, the 2017 Projects, the 2020 Projects, the Phase 1 Assessment Area Project, and the Phase 2 Assessment Area Project (the "Prior Collateral Assignments") in connection with the issuance of the Series 2015 Bonds, Series 2017 Bonds, Series 2020 Bonds, Series 2021 Bonds, and Series 2022 Bonds, respectively. In addition, the Lender may have certain development rights and other rights assigned to it under the terms of the M& T Loan relating to the Development, which may be superior to such rights that might otherwise be assigned to the District under the terms of the Collateral Assignment. Notwithstanding such Collateral Assignments, in the event the Issuer forecloses on the lands subject to any of the Series 2023 Special Assessments as a result of a Developer's or subsequent landowners' failure to pay such assessments, there is a risk that the Issuer will not have all permits and entitlements necessary to complete the Astor Creek Phase One Project or the development of the Astor Creek Phase One Assessment Area.

Finally, as a successor in interest to the Master Developer with respect to the land in the Astor Creek Phase One Assessment Area, the Developer will also be subject to a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the Astor Creek Phase One Assessment Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: SUPPLEMENTAL ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Developer are unsecured obligations, and the Developer is a special-purpose entity whose assets consist primarily of its interests in the land within District #4. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Astor

Creek Phase One Project or the Construction of Homes within the Astor Creek Phase One Assessment Area" and "THE DEVELOPER" herein for more information regarding the Developer.

## **THE DEVELOPER**

Astor Creek Development LLC, a Florida limited liability company (the "Developer") is the owner and developer of the lands in the Astor Creek Phase One Assessment Area (as defined herein). The Developer is an affiliate of Verano Development LLC, a Delaware limited liability company that has served as the developer of the Master Development (the "Master Developer").

The Developer and the Master Developer are both managed by The Kolter Group LLC, a Florida limited liability company (the "Kolter Group"). The Kolter Group was organized in December 1997 and is managed by Devin Radkay, Howard Erbstein, William Johnson and Robert Julien. The Kolter Group is a diversified private investment firm focused on real estate development and investment, based in Delray Beach, Florida. The Kolter Group and its predecessors and affiliates (collectively, "Kolter") have invested in projects with expected value in excess of \$19 billion throughout the southeastern United States, including numerous transactions throughout Florida. Since 2008, Kolter has acquired over 95 projects in Florida, consisting of over 45,000 homesites.

*Neither the Developer nor any of the other entities listed above are guaranteeing payment of the Series 2023 Bonds or the Series 2023 Special Assessments. None of the entities listed herein, other than the Developer, has entered into any agreements in connection with the issuance of the Series 2023 Bonds.*

## **TAX MATTERS**

### **General**

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements that the District must continue to meet after the issuance of the Series 2023 Bonds in order that the interest on the Series 2023 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2023 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2023 Bonds. The District has covenanted in the Indentures to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2023 Bonds.

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2023 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2023 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2023 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is further of the opinion that the Series 2023 Bonds and the interest thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their own tax advisors as to the status of interest on the Series 2023 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2023 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Developer, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2023 Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Series 2023 Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2023 Bonds, or the ownership or disposition of the Series 2023 Bonds. Prospective purchasers of Series 2023 Bonds should be aware that the ownership of Series 2023 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2023 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2023 Bonds, (iii) the inclusion of the interest on the Series 2023 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2023 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of interest on the Series 2023 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Series 2023 Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2023 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their own tax advisors as to the impact of these and any other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance of the Series 2023 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

### **Original Issue Discount and Premium**

Certain of the Series 2023 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (*i.e.*, for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income

tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2023 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale, or other disposition of that Discount Bond.

Certain of the Series 2023 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

*Owners of Discount and Premium Bonds should consult their own tax advisers as to the determination for federal income tax purposes of the amount of OID or bond premium properly accruable in any period with respect to the Discount or Premium Bonds and as to other federal tax consequences, and the treatment of OID and bond premium for purposes of state and local taxes on, or based on, income.*

## **Changes in Federal and State Tax Law**

From time to time, there are legislative proposals suggested, debated, introduced, or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Series 2023 Bonds, or adversely affect the market price or marketability of the Series 2023 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

On August 16, 2022, President Biden signed the Inflation Reduction Act of 2022 (H.R. 5376) into law. For tax years beginning after 2022, this legislation will impose a minimum tax of 15 percent on the adjusted financial statement income of applicable corporations as defined in Section 59(k) of the Code (which is primarily designed to impose a minimum tax on certain large corporations). For this purpose, adjusted financial statement income is not reduced for interest earned on tax-exempt obligations. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential consequences of owning the Series 2023 Bonds.

## **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2023 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2023 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2023 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2023 Bonds and

proceeds from the sale of Series 2023 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2023 Bonds. This withholding generally applies if the owner of Series 2023 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2023 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **AGREEMENT BY THE STATE**

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Series 2023 Bonds, that it will not limit or alter the rights of the issuer of such bonds, including the Issuer, to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

### **LEGALITY FOR INVESTMENT**

The Act provides that the Series 2023 Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State of Florida, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

### **SUITABILITY FOR INVESTMENT**

In accordance with applicable provisions of Florida law, the Series 2023 Bonds may initially be sold by the Issuer only to "accredited investors" within the meaning of Chapter 517, Florida Statutes and the rules promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2023 Bonds. Investment in the Series 2023 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the Issuer or the Underwriter to give any information or make any representations, other than those contained in this Limited Offering Memorandum.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the Owners of the Series 2023 Bonds upon an Event of Default under the Indentures are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indentures and the Series 2023 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds will be qualified as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.



## **LITIGATION**

### **The Issuer**

There is no litigation of any nature now pending or, to the knowledge of the Issuer threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2023 Bonds, or in any way contesting or affecting (i) the validity of the Series 2023 Bonds or any proceedings of the Issuer taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2023 Bonds, (iii) the existence or powers of the Issuer or (iv) the validity of the Assessment Proceedings.

### **The Developer**

There is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the completion of the Astor Creek Phase One Assessment Area as described herein, materially and adversely affect the ability of the Developer to pay the Series 2023 Special Assessments imposed against certain lands within the Astor Creek Phase One Assessment Area owned by the Developer or materially and adversely affect the ability of the Developer to perform its various obligations described in this Limited Offering Memorandum.

## **CONTINGENT FEES**

The Issuer has retained Bond Counsel, Issuer Counsel, the District Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2023 Bonds. Except for the payment of certain fees to Issuer Counsel, the District Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2023 Bonds.

## **NO RATING**

No application for a rating for the Series 2023 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2023 Bonds would have been obtained if application had been made.

## **EXPERTS**

The Supplemental Engineer's Report included in APPENDIX C to this Limited Offering Memorandum has been prepared by AECOM Technical Services, Inc., West Palm Beach, Florida, the District Engineer. APPENDIX C should be read in its entirety for complete information with respect to the subjects discussed therein. Government Management Services – South Florida, LLC, Ft. Lauderdale, Florida, as Methodology Consultant, has prepared the Supplemental Assessment Methodology, which is set forth as APPENDIX D hereto. APPENDIX D should be read in its entirety for complete information with respect to the subjects discussed therein. As a condition to closing on the Series 2023 Bonds, both the District Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

## **FINANCIAL INFORMATION**

This Issuer will covenant in the Disclosure Agreement (as defined below), the proposed form of which is set forth in APPENDIX E hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the Issuer's fiscal year ending September 30, 2023. The Issuer does not have audited financial statements because the Issuer has only recently been established. As of the date hereof, the Issuer does not have any significant assets or liabilities and the Issuer has not previously issued any debt obligations. The Series 2023 Bonds are not general obligation bonds of the Issuer and are payable solely from the Series 2023 Pledged Revenues.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. Additional information regarding the District's website is available from the District Manager at the address set forth under "THE DISTRICT – The District Manager and Other Consultants."

## **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the Issuer make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private business). The Issuer is not and has not been in default on any bonds or other debt obligations since December 31, 1975.

## **CONTINUING DISCLOSURE**

The Issuer and the Developer will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the proposed form of which is set forth in APPENDIX E, for the benefit of the Series 2023 Bondholders (including owners of beneficial interests in such Bonds), respectively, to provide certain financial information and operating data relating to the Issuer and the Development and to disclose certain enumerated material events by certain dates prescribed in the Disclosure Agreement (the "Reports") with the Municipal Securities Rulemaking Board ("MSRB") through the MSRB's Electronic Municipal Market Access system ("EMMA"). The specific nature of the information to be contained in the Reports is set forth in "Appendix G: Proposed Form of Continuing Disclosure Agreement." District #5 (as the Administration District under the Interlocal Agreement between the Issuer and the other Districts) and the remaining Other Districts (to the extent that a District other than District #5 is in the future designated as the Administration District pursuant to the Interlocal Agreement) will join in the Disclosure Agreement to the extent that any of the obligations of the Issuer under the Disclosure Agreement have been or in the future are delegated to the Administration District pursuant to the Interlocal Agreement. Under certain circumstances, the failure of the Issuer, the Administration District or the Developer to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an Event of Default under the Indentures, but such event of default under the Disclosure Agreement would allow the Series 2023 Bondholders (including owners of beneficial interests in such Series 2023 Bonds), as applicable, to bring an action for specific performance.

The Issuer has not previously issued any bonds and has not previously entered into any continuing disclosure obligations pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). The Issuer anticipates satisfying all future disclosure obligations required pursuant to its Disclosure Agreement and the Rule. The Issuer will appoint Government Management Services – South Florida, LLC, as the dissemination agent in the Disclosure Agreement.

The Developer has not previously entered into any continuing disclosure obligations pursuant to the Rule. The Developer anticipates satisfying all disclosure obligations required pursuant to the Disclosure Agreement and the Rule.

## **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the Issuer, subject to certain conditions, to purchase the Series 2023 Bonds from the Issuer at a purchase price of \$\_\_\_\_\_ (representing the par amount of the Series 2023 Bonds plus/less net original issue premium/discount of \$\_\_\_\_\_ and] an Underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and subject to satisfaction of such conditions or the waiver thereof, the Underwriter will be obligated to purchase all the Series 2023 Bonds if any of the Series 2023 Bonds are issued and purchased.

The Underwriter intends to offer the Series 2023 Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2023 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

## **VALIDATION**

Bonds issued pursuant to the terms of the Master Indenture, including the Series 2023 Bonds, have been validated by a judgment of the Circuit Court of the Nineteenth Judicial Circuit of Florida in and for the County, rendered on May 26, 2015. The period of time during which an appeal can be taken from such judgment has expired without an appeal having been taken.

## **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2023 Bonds are subject to the approval of Greenberg Traurig, P.A., West Palm Beach, Florida, Bond Counsel. Certain legal matters will be passed upon for the Issuer by its counsel, Gonano & Harrell, Fort Pierce, Florida, for the Developer by its counsel, Gunster, Yoakley & Stewart, P.A., West Palm Beach, Florida and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. GrayRobinson, P.A., represents Taylor Morrison in connection with certain matters related to the Master Development.

Bond Counsel's opinions included herein are based on existing law, which is subject to change. Such opinions are further based on factual representations made by the Issuer and the Developer to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the Internal Revenue Service or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

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## **MISCELLANEOUS**

Any statements made in this Limited Offering Memorandum involving matters of opinion or estimates, whether or not expressly so stated, are set forth as such and not as representations of fact, and no representations are made that any of the estimates will be realized.

The references herein to the Series 2023 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum is submitted in connection with the limited offering of the Series 2023 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2023 Bonds.

[Remainder of page intentionally left blank.]

## **AUTHORIZATION AND APPROVAL**

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of the Issuer.

### **VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Chair, Board of Supervisors

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**APPENDIX A**

**COPY OF MASTER INDENTURE AND  
PROPOSED FORM OF ELEVENTH SUPPLEMENTAL INDENTURE**

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between

THE VERANO CENTER COMMUNITY DEVELOPMENT DISTRICTS

and

U.S. BANK NATIONAL ASSOCIATION

As Trustee

Dated as of June 1, 2015

relating to

THE VERANO CENTER COMMUNITY DEVELOPMENT DISTRICTS

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WHEREAS, each Issuer proposes to finance the cost of acquisition and construction of a portion of the Total Project by the issuance of one or more Series of Bonds pursuant to the Applicable Indenture (as herein defined);

NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH, that to provide for the issuance of Bonds under this Master Indenture, as supplemented from time to time by one or more Supplemental Indentures, the security and payment of the principal, redemption or purchase price thereof (as the case may be) and interest thereon, any reimbursement due to a Credit Facility Issuer (hereinafter defined), if any, for any drawing on its Credit Facility (hereinafter defined), as required under the terms of the corresponding Credit Facility Agreement (hereinafter defined), the rights of the Owners of the Bonds of a Series (as herein defined) and the performance and observance of all of the covenants contained herein and in said Bonds and in any Credit Facility Agreement for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Bonds of a Series by the Owners thereof, from time to time, the issuance by any Credit Facility Issuer of its Credit Facility, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, each District acting as the Issuer shall in the context of a Series of Bonds assign, transfer, set over and pledge to the Trustee and grant a lien on all of the right, title and interest of the Issuer in and to the Pledged Revenues (hereinafter defined) as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on Bonds of a Series issued hereunder and any reimbursement due to any Credit Facility Issuer for any drawing on its Credit Facility issued with respect to any such Bonds, as required under the terms of the corresponding Credit Facility Agreement, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

#### ARTICLE I DEFINITIONS

In this Master Indenture and any indenture supplemental hereto (except as otherwise expressly provided or unless the context otherwise requires) terms defined in the recitals hereto shall have the same meaning throughout this Master Indenture and all Supplemental Indentures, and in addition, the following terms shall have the meanings specified below:

"Account" shall mean any account established pursuant to this Master Indenture and all Supplemental Indentures.

"Acquisition Agreement" shall mean one or more improvement acquisition agreements between the Issuer, or the Administration District on behalf of the Issuer, and the Developer, pursuant to which the Developer agrees to provide, design, construct and sell to the Issuer, and the Issuer agrees to purchase from the Developer, all or a portion of a Project.

"Act" shall mean the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, and Part I of Chapter 163, Florida Statutes, as such statutes are amended from time to time, and any successor statutes thereto.

THIS MASTER TRUST INDENTURE, dated as of June 1, 2015 (the "Master Indenture"), by and among THE VERANO CENTER COMMUNITY DEVELOPMENT DISTRICTS comprised of the Verano Center Community Development District (herein, the "Center CDD"); Verano #1 Community Development District (herein, "District #1"); the Verano #2 Community Development District ("District #2"); the Verano #3 Community Development District ("District #3"); the Verano #4 Community Development District ("District #4"); the Verano #5 Community Development District ("District #5") (collectively referred to as the "Verano Community Development Districts" or "Districts"), which from time to time will, pursuant to this Master Indenture and one or more Supplemental Indentures (as herein defined) will be the issuer of one or more Series (as herein defined) of Bonds (as herein defined), each of the Districts being a local unit of special-purpose government organized and existing under the laws of the State of Florida (together with each permitted successor and assign, the "Issuer"), and U.S. BANK NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America and having a corporate trust office in Jacksonville, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture and all Supplemental Indentures (as herein defined) being hereinafter referred to as the "Trustee");

#### WITNESSETH:

WHEREAS, each District is a local unit of special purpose government duly organized, created, established and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, and Ordinance No. 05-17, Ordinance No. 05-18, Ordinance No. 05-19, Ordinance No. 05-20, Ordinance No. 05-21 and Ordinance No. 05-22, respectively, each enacted by the governing body of the City of Port St. Lucie, Florida (the "City") on April 25, 2005 (each Ordinance being amended on March 13, 2006 to change the name of the Districts) for the purpose, among other things, of financing and managing the acquisition, construction, maintenance, and operation of public infrastructure improvements authorized by the Act (hereinafter defined); and

WHEREAS, each District is contiguous, or in close proximity to the other Districts and pursuant to the Interlocal Agreement (as herein defined), has determined to each enter into this Master Indenture and from time to time act as Issuer of one or more Series of Bonds to finance Public Infrastructure (as herein defined) within and without the geographical boundaries of the Issuer; it being understood that in connection with a Series of Bonds only the designated Issuer will have any obligations or duties in connection with such Series; and

WHEREAS, the premises currently governed by each District, as further described in Exhibit A hereto (herein, the "District Lands") currently consist in total of approximately 3,062 acres of land located entirely within the incorporated area of the City; and

WHEREAS, the Districts have determined to undertake, in one or more stages, the acquisition and construction of certain Public Infrastructure (as herein defined) pursuant to the Act for the special benefit of the District Lands (as further described in the Master Engineer's Report (as herein defined) attached hereto as Exhibit "B," the "Total Project"); and

"Administration District" shall mean the District appointed by the Districts and communicated to the Trustee in writing who is authorized to perform certain functions on behalf of the Issuer as described herein. The Center District shall initially serve as the Administration District.

"Annual Budget" shall mean the Issuer's budget of current operating and maintenance expenses for a Series Project for a Fiscal Year, as the same may be amended from time to time, adopted in accordance with the provisions hereof.

"Applicable Indenture" shall mean this Master Indenture and a Supplemental Indenture relating to a Series of Bonds.

"Arbitrage Certificate" shall mean the certificate of the Issuer delivered at the time of issuance of a Series of Bonds setting forth the expectations of the Issuer with respect to the use of the proceeds of such Series and also containing certain covenants of the Issuer in order to achieve compliance with the Code relating to the tax-status of the Bonds.

"Assessment Areas" shall mean distinct areas within the District Lands identified by the Developer that may be developed by the Developer in Phases. The Issuer reserves the right to impose separate Special Assessments on each separate Assessment Area.

"Authorized Denomination" shall mean, unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, with respect to each Series of Bonds, a denomination of \$5,000 and integral multiples of \$5,000 in excess thereof.

"Authorized Newspaper" shall mean a newspaper printed in English and customarily published at least once a day at least five days a week and generally circulated in New York, New York, or such other cities as the Issuer from time to time may determine by written notice provided to the Trustee. When successive publications in an Authorized Newspaper are required, they may be made in the same or different Authorized Newspapers.

"Beneficial Owner" shall mean the actual owner of Bonds while the Bonds are registered in the name of Cede & Co., as the nominee of DTC. The Trustee is authorized to recognize the Beneficial Owners of a Series of Bonds for purposes of approvals, consents or other actions taken hereunder or under a Supplemental Indenture if beneficial ownership is proven to the satisfaction of the Trustee.

"Board" shall mean the Board of Supervisors of an Issuer.

"Bond Counsel" shall mean Counsel of nationally recognized standing in matters pertaining to the exclusion from gross income for federal income tax purposes of interest on obligations issued by states and their political subdivisions.

"Bond Redemption Fund" shall mean the Fund so designated which is established pursuant to Section 6.06 hereof.

"Bond Register" shall have the meaning specified in Section 2.04 of this Master Indenture.

"Bondholder," "Holder of Bonds," "Holder," "Bondowner," "Registered Owner" or "Owner" or any similar term shall mean any Person or Persons who shall be the registered owner of any Outstanding Bond or Bonds, as evidenced on the Bond Register of the Issuer kept by the Registrar.

"Bonds" shall mean the Special Assessment Bonds of an Issuer issued in one or more Series pursuant to the provisions of this Master Indenture and bonds subsequently issued to refund all or a portion of such aforementioned Bonds. If the Issuer determines to issue bond anticipation notes to be secured in whole or in part by a lien on the net proceeds of Bonds to be issued under this Master Indenture, the term "Bonds" shall apply to such short-term notes but only to the extent the Supplemental Indenture relating to such bond anticipation notes so provides.

"Business Day" shall mean any day other than a Saturday or Sunday or legal holiday or a day on which the office of the Issuer, or corporate office of the Trustee, the Registrar or any Paying Agent is closed, or a day on which the New York Stock Exchange is closed.

"Certified Public Accountant" shall mean a Person, who shall be Independent, appointed by the Administration District, actively engaged in the business of public accounting and duly certified as a certified public accountant under the laws of the State.

"Certified Resolution" or "Certified Resolution of the Issuer" shall mean a copy of one or more resolutions certified by the Secretary or an Assistant Secretary of the Issuer, under its seal, to have been duly adopted by the Board and to be in full force and effect as of the date of such certification.

"City" shall mean the City of Port St. Lucie, Florida.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Completion Date" shall have the meaning given to such term in Section 5.01 of this Master Indenture.

"Consultant" shall mean a Person, who shall be Independent, appointed by the Administration District, qualified to pass upon questions relating to municipal entities and having a favorable reputation for skill and experience in the financial affairs of municipal entities.

"Consultant's Certificate" shall mean a certificate or a report prepared in accordance with then applicable professional standards duly executed by a Consultant.

"Consulting Engineer" shall mean the Independent engineer or engineering firm or corporation at the time employed by the Districts under the provisions of Section 9.21 of this Master Indenture to perform and carry out duties imposed on the Consulting Engineer by this Master Indenture and any Supplemental Indentures.

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- (m) the discount, if any, on the sale or exchange of Bonds;
- (n) amounts required to repay temporary or bond anticipation loans made to finance any costs permitted under the Act;
- (o) costs of prior improvements performed by the Issuer in anticipation of the Project;
- (p) costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services, or any other Person, for a default or breach under the corresponding contract, or in connection with any other dispute;
- (q) premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same;
- (r) payments, contributions, dedications, and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose;
- (s) administrative expenses;
- (t) taxes, assessments and similar governmental charges during construction or reconstruction of the Project;
- (u) expenses of Project management and supervision;
- (v) costs of effecting compliance with any and all governmental permits relating to the Project;
- (w) such other expenses as may be necessary or incidental to the acquisition, construction, or reconstruction of the Project or to the financing thereof; and
- (x) any other "cost" or expense as provided by the Act.

In connection with the refunding or redeeming of any Bonds, "Cost" includes, without limiting the generality of the foregoing, the items listed in (d), (k), (l) and (m) above, and other expenses related to the redemption of the Bonds to be redeemed and the Redemption Price of such Bonds (and the accrued interest payable on redemption to the extent not otherwise provided for). Whenever Costs are required to be itemized, such itemization shall, to the extent practicable, correspond with the items listed above. Whenever Costs are to be paid hereunder, such payment may be made by way of reimbursement to the Issuer or any other Person who has paid the same in addition to direct payment of Costs.

"Counsel" shall mean an attorney-at-law or law firm (who may be counsel for the Districts) not unsatisfactory to the Trustee.

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"Continuing Disclosure Agreement" shall mean a Continuing Disclosure Agreement, by and among the Issuer or the Administration District, on behalf of an Issuer, the dissemination agent named therein and the Developer and any other obligated party under the Rule, in connection with the issuance of one or more Series of Bonds hereunder, pursuant to the requirements of the Rule.

"Cost" or "Costs," in connection with a Series Project or any portion thereof, shall mean all expenses which are properly chargeable thereto under Generally Accepted Accounting Principles or which are incidental to the planning, financing, acquisition, construction, reconstruction, equipping and installation thereof, including, without limiting the generality of the foregoing:

- (a) expenses of determining the feasibility or practicability of acquisition, construction, or reconstruction of the Project;
- (b) cost of surveys, estimates, plans, and specifications;
- (c) cost of improvements;
- (d) engineering, architectural, fiscal, legal, accounting and other professional and advisory expenses and charges;
- (e) cost of all labor, materials, machinery, and equipment (including, without limitation, (i) amounts payable to contractors, builders and materialmen and costs incident to the award of contracts and (ii) the cost of labor, facilities and services furnished by the Issuer and its employees, materials and supplies purchased by the Issuer and permits and licenses obtained by the Issuer);
- (f) cost of all lands, properties, rights, easements, and franchises acquired;
- (g) financing charges;
- (h) creation of initial reserve and debt service funds;
- (i) working capital;
- (j) interest charges incurred or estimated to be incurred on money borrowed prior to and during construction and acquisition and for such reasonable period of time after completion of construction or acquisition as the Board may determine and as approved by Bond Counsel;
- (k) the cost of issuance of Bonds, including, without limitation, advertisements and printing;
- (l) the cost of any election held pursuant to the Act and all other expenses of issuance of bonds;

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"County" shall mean St. Lucie County, Florida.

"Credit Facility" shall mean any credit enhancement mechanism such as an irrevocable letter of credit, a surety bond, a policy of municipal bond insurance, a corporate or other guaranty, a purchase agreement, a credit agreement or deficiency agreement or other similar facility applicable to the Bonds of a Series, as established pursuant to a Supplemental Indenture, pursuant to which the entity providing such facility agrees to provide funds to make payment of the principal of and interest on the Bonds of a Series. Notwithstanding anything to the contrary contained in this Master Indenture, the Bonds of any Series may be issued without a Credit Facility; the decision to provide a Credit Facility in respect of any Bonds shall be within the absolute discretion of the applicable Board.

"Credit Facility Agreement" shall mean any agreement pursuant to which a Credit Facility Issuer issues a Credit Facility.

"Credit Facility Issuer" shall mean the issuer or guarantor of any Credit Facility.

"Debt Service Fund" shall mean the Fund so designated which is established pursuant to Section 6.04 hereof.

"Debt Service Requirements," with reference to a specified period, shall mean:

- (a) interest payable on the Bonds of a Series during such period, subject to reduction for amounts held as capitalized interest in the Funds and Accounts established under this Master Indenture and any Supplemental Indentures; and
- (b) amounts required to be paid into any mandatory sinking fund account with respect to the Bonds of a Series during such period; and
- (c) amounts required to pay the principal of the Bonds of a Series maturing during such period and not to be redeemed prior to or at maturity through any sinking fund account.

For any Bonds of a Series that bear interest at a variable rate, the interest payable for a specified period shall be determined as if such Bonds of such Series bear interest at the maximum rate provided for in the applicable Supplemental Indenture and if no maximum rate is provided for in the Supplemental Indenture, the maximum rate shall be 10.00% per annum.

"Debt Service Reserve Fund" shall mean the Fund so designated which is established pursuant to Section 6.05 hereof.

"Debt Service Reserve Requirement" shall mean, for each Series of Bonds, unless a different requirement shall be specified in a Supplemental Indenture, an amount equal to the lesser of (i) the maximum annual Debt Service Requirements for the Outstanding Bonds of such Series, (ii) 125% of the average annual Debt Service Requirements for the Outstanding Bonds of such Series, and (iii) 10% of the original proceeds (within the meaning of the Code) of the Bonds of such Series.

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"Defeasance Securities" shall mean, to the extent permitted by law, (a) cash, or (b) non-callable Government Obligations.

"Developer" shall mean the entities identified to the Issuer, as the master developers of all or a portion of the District Lands and any affiliates or any other entities which succeed to all or any part of the interests and assumes any or all of the responsibilities of such entities, as the master developer of all or a portion of the District Lands. Verano Development LLC, a Florida limited liability company, shall be the initial Developer.

"Developer Funding Agreement" shall mean, if applicable, one or more developer capital funding agreements between the Issuer (or the Administration District on behalf of the Issuer) and the Developer, pursuant to which the Developer agrees to advance moneys, from time to time, to the Issuer for deposit into the appropriate Account of the Acquisition and Construction Fund, so that there are sufficient moneys on deposit therein (taking into account proceeds from the applicable Series of Bonds) to complete the Project. Any obligation on the part of the Issuer to repay such advances made by the Developer shall be subordinate to the payment of the Bonds.

"District Lands" shall mean the premises governed by the Districts, consisting of approximately 3,062 acres of land located entirely within the incorporated area of the City, as more fully described in Exhibit A hereto.

"District Manager" shall mean the then District Manager or acting District Manager of the Issuer.

"Event of Default" shall mean any of the events described in Section 10.01 hereof.

"Fiscal Year" shall mean the period of twelve (12) months beginning October of each calendar year and ending on September 30 of the following calendar year, and also shall mean the period from actual execution hereof to and including the next succeeding September 30; or such other consecutive twelve-month period as may hereafter be established pursuant to a Certified Resolution as the fiscal year of the Issuer for budgeting and accounting purposes as authorized by law.

"Fitch" shall mean Fitch Ratings, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Fitch" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer and acceptable to the Trustee.

"Fund" shall mean any fund established pursuant to this Master Indenture.

"Generally Accepted Accounting Principles" shall mean those accounting principles applicable in the preparation of financial statements of municipalities.

"Government Obligations" shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

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(vi) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by both Moody's and S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(vii) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by the repurchase agreement provider with collateral with a domestic or foreign bank or corporation (other than life or property casualty insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's provided that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall immediately notify the Trustee and the provider shall at its option, within ten days of receipt of publication of such downgrade, either (A) maintain collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all collateral and terminate the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls below "A-" or "A3," respectively, the provider must promptly notify the Issuer and the Trustee and the provider shall, at its option, within ten (10) calendar days, either (1) maintain collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (2) repurchase all collateral and terminate the repurchase agreement without penalty. In the event the repurchase agreement provider has not satisfied the above conditions within ten (10) days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall, provided it has been provided with notice of such downgrade, withdraw the entire amount invested plus accrued interest within two (2) Business Days of such ten (10) day period. Any repurchase agreement entered into pursuant to this Indenture shall contain the following additional provisions:

1) Failure to maintain the requisite collateral percentage will require the Issuer or the Trustee to liquidate the collateral as provided above;

2) The Holder of the Collateral, as hereinafter defined, shall have possession of the collateral or the collateral shall have been transferred to the Holder of the Collateral, in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

3) The repurchase agreement shall state and an opinion of Counsel in form and in substance satisfactory to the Trustee shall be rendered that the Holder of

"Independent" shall mean a Person who is not a member of the Issuer's Board, an officer or employee of the Issuer, the other Districts or the Developer, or which is not a partnership, corporation or association having a partner, director, officer, member or substantial stockholder who is a member of the Issuer's Board or the other Districts' Board, or an officer or employee of the Issuer or the other Districts; provided, however, that the fact that such Person is retained regularly by or regularly transacts business with the Issuer, the other Districts or the Developer shall not make such Person an employee within the meaning of this definition.

"Interest Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.04 hereof.

"Interest Payment Date" shall mean, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, each May 1 and November 1 commencing on the date specified in the Certified Resolution of the Issuer or in the Supplemental Indenture pursuant to which a Series of Bonds is issued.

"Interest Period" shall mean the period from and including any Interest Payment Date to and excluding the next succeeding Interest Payment Date; provided, however, that upon final payment of any Bond at maturity or upon redemption or mandatory purchase, the Interest Period shall extend to, but not include, the date of such final payment, which shall always be a Business Day.

"Investment Securities" shall mean and include any of the following securities, if and to the extent that such securities are legal investments for funds of the Issuer:

(i) Government Obligations;

(ii) obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation, or other similar governmental sponsored entities.

(iii) deposits, Federal funds or bankers' acceptances (with term to maturity of 270 days or less) of any bank which, at the time of deposit, has an unsecured, uninsured and unguaranteed obligation rated in one of the top two rating categories by both Moody's and S&P;

(iv) commercial paper rated in the top two rating category by both Moody's and S&P at the time of purchase;

(v) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts, the interest on which is exempt from federal income taxation under Section 103 of the Code and rated A- or higher by Moody's, Fitch or S&P at the time of purchase;

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the collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

4) The repurchase agreement shall be a "repurchase agreement" as defined in the United States Bankruptcy Code and, if the provider is a domestic bank, a "qualified financial contract" as defined in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") and such bank is subject to FIRREA;

5) The repurchase transaction shall be in the form of a written agreement, and such agreement shall require the provider to give written notice to the Trustee of any change in its long-term debt rating;

6) The Issuer or its designee shall represent that it has no knowledge of any fraud involved in the repurchase transaction;

7) The Issuer and the Trustee shall receive the opinion of Counsel (which opinion shall be addressed to the Issuer and the Trustee and shall be in form and substance satisfactory to the Trustee) that such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

8) The term of the repurchase agreement shall be no longer than ten years;

9) The interest with respect to the repurchase transaction shall be payable at the times and in the amounts necessary in order to make funds available when required under an applicable Supplemental Indenture.

10) The repurchase agreement shall provide that the Trustee may withdraw funds without penalty at any time, or from time to time, for any purpose permitted or required under this Indenture;

11) Any repurchase agreement shall provide that a perfected security interest in such investments is created for the benefit of the Beneficial Owners under the Uniform Commercial Code of Florida, or book-entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are created for the benefit of the Beneficial Owners; and

12) The collateral delivered or transferred to the Issuer, the Trustee, or a third-party acceptable to, and acting solely as agent for, the Trustee (the "Holder of the Collateral") shall be delivered and transferred in compliance with applicable state and federal laws (other than by means of entries on provider's books) free and clear of any third-party liens or claims pursuant to a custodial agreement subject to the prior written approval of the majority of the Holders and the Trustee. The custodial agreement shall provide that the Trustee must have disposition or control over the collateral of the repurchase agreement, irrespective of an event of default by the provider of such repurchase agreement.

If such investments are held by a third-party, they shall be held as agent for the benefit of the Trustee as fiduciary for the Beneficial Owners and not as agent for the bank serving as Trustee in its commercial capacity or any other party and shall be segregated from securities owned generally by such third party or bank;

(viii) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody's or S&P (if the term of such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated by Aa2 or better by Moody's and AA or better by S&P or Fitch, respectively (if the term of such agreement is more than 365 days) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

1) interest is paid on any date interest is due on the Bonds (not more frequently than quarterly) at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement;

2) moneys invested thereunder may be withdrawn without penalty, premium, or charge upon not more than two days' notice unless otherwise specified in a Supplemental Indenture;

3) the same guaranteed interest rate will be paid on any future deposits made to restore the account to its required amount; and

4) the Trustee receives an opinion of Counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;

5) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch, respectively, the provider shall notify the Trustee within five (5) days of such downgrade event and the provider shall at its option, within ten (10) business days after notice is given to the Trustee take any one of the following actions:

6) collateralize the agreement at levels, sufficient to maintain an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach, or

7) assign the agreement to another provider, as long as the minimum rating criteria of "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

8) have the agreement guaranteed by a provider which results in a minimum rating criteria of an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

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"Master Engineer's Report" shall mean that certain Master Engineer's Report for the Public Infrastructure serving The Verano Community Development Districts prepared by the Consulting Engineer in the form attached hereto as Exhibit "B."

"Master Indenture" shall mean, this Master Trust Indenture dated as of June 1, 2015 by and between the Issuer and the Trustee, as amended and or supplemented in accordance with the provisions of Article XIII hereof.

"Moody's" shall mean Moody's Investors Service, Inc., a corporation organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "Moody's" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer and acceptable to the Trustee.

"Officers' Certificate" or "Officer's Certificate" shall mean a certificate, duly executed by a Responsible Officer and delivered to the Trustee.

"Outstanding," in connection with a Series of Bonds, shall mean, as of the time in question, all Bonds of such Series authenticated and delivered under the Indenture, except:

(a) all Bonds of a Series theretofore cancelled or required to be cancelled under Section 2.07 hereof;

(b) Bonds of a Series for the payment, redemption or purchase of which moneys and/or Defeasance Securities, the principal of and interest on which, when due, will provide sufficient moneys to fully pay such Bonds in accordance with Article XIV hereof, shall have been or shall concurrently be deposited with the Trustee; provided that, if such Bonds are being redeemed, the required notice of redemption shall have been given or provision shall have been made therefor, and that if such Bonds are being purchased, there shall be a firm commitment for the purchase and sale thereof; and

(c) Bonds of a Series in substitution for which other Bonds of a Series have been authenticated and delivered pursuant to Article II hereof.

In determining whether the Holders of a requisite aggregate principal amount of Bonds Outstanding of a Series have concurred in any request, demand, authorization, direction, notice, consent or waiver under the provisions of the Indenture, Bonds of such Series which are known by the Trustee to be held by or on behalf of the Issuer shall be disregarded for the purpose of any such determination, unless all of the Bonds of such Series are held by or on behalf of the Issuer; provided, however, this provision does not affect the right of the Trustee to deal in Bonds as set forth in Section 11.09 hereof.

"Participating Underwriter" shall mean any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Paying Agent" shall mean initially, U.S. Bank National Association and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

9) repay all amounts due and owing under the agreement.

10) In the event the provider has not satisfied any one of the above condition within three (3) days of the date such conditions apply, then the agreement shall provide that the Trustee shall be entitled to withdraw the entire amount invested plus accrued interest without penalty or premium.

(ix) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are, at the time of purchase, rated A- or better by at least two (2) of the following rating agencies: Moody's, S&P or Fitch or AA- or better by either S&P or Fitch or Aa- or better by Moody's;

(x) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws provided that such fund, at the time of purchase, is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation);

(xi) negotiable or non-negotiable certificates of deposit, savings accounts, deposit accounts, money market deposits or banking arrangements issued by or with any financial institution subject to state or federal regulation provided that the full principal amount is insured by the Federal Deposit Insurance Corporation ("FDIC") (including the FDIC's Savings Association Insurance Fund), including the Trustee or its affiliates, which have a rating on their short-term certificates of deposit on the date of purchase in one of the three highest short-term Rating Categories (without regard to any refinement or gradation of rating category by numerical modifier or otherwise) assigned by any Rating Agency and which mature not more than 360 days after the date of purchase; and

(xii) other investments permitted by Florida law and directed by the Issuer.

Under all circumstances, the Trustee shall be entitled to request and to receive from the Issuer and conclusively rely upon as accurate, an Officer's Certificate setting forth that any investment directed by the Issuer is permitted under the Indenture.

"Issuer" shall mean any one or more of the Verano Community Development Districts.

"Major Non-Recurring Expense" shall mean the cost of major replacement or reconstruction of the Total Project, or any part thereof, the cost of major repairs, renewals or replacements, the provision of a reserve for the payment of insurance premiums not due on an annual or more frequent basis, and the cost of studies, surveys, estimates and investigations in connection with any of the foregoing.

"Majority Holder" shall mean the beneficial owners of at least fifty-one percent (51%) of the applicable Series of Bonds.

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"Person" shall mean any individual, corporation, partnership, association, joint-stock company, trust, unincorporated organization, governmental body, political subdivision, municipality, municipal authority or any other group or organization of individuals.

"Pledged Revenues" shall mean, unless otherwise provided by Supplemental Indenture with respect to a Series of Bonds, with respect to each Series of Bonds Outstanding, (a) all revenues received by the Issuer from Special Assessments levied and collected on all or a portion of the District Lands with respect to a Series Project or portion thereof financed by such Series of Bonds, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Special Assessments or from the issuance and sale of tax certificates with respect to such Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture allocated to such Series of Bonds; provided, however, that Pledged Revenues shall not include (i) any moneys transferred to the Rebate Fund, or investment earnings thereon and (ii) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (i) and (ii) of this provision).

"Prepayment" shall mean the payment by any owner of Property of the amount of Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date. A landowner may make a Prepayment in kind pursuant to the provisions of Section 9.08 hereof.

"Property Appraiser" shall mean the property appraiser of the County.

"Property Appraiser and Tax Collector Agreement" shall mean the Property Appraiser and Tax Collector Agreement described in Section 9.04 hereof.

"Public Infrastructure" shall mean all of the infrastructure improvements identified in the Master Engineer's Report constituting the Total Project.

"Rebate Fund" shall mean the Fund so designated, which is established pursuant to Section 6.11 of this Master Indenture.

"Record Date" shall mean, as the case may be, the applicable Regular or Special Record Date.

"Redemption Price" shall mean the principal amount of any Bond of a Series plus the applicable premium, if any, payable upon redemption thereof pursuant to the Indenture.

"Registrar" shall mean initially U.S. Bank National Association, which entity shall have the responsibilities set forth in Section 2.04 of this Master Indenture, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

"Regulatory Body" shall mean and include (a) the United States of America and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the United States of America, (b) the State, any political subdivision thereof and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the State, (c) the County and any department of or corporation, agency or instrumentality heretofore or hereafter created, designated or established by the County, and (d) any other public body, whether federal, state or local or otherwise having regulatory jurisdiction and authority over the Issuer.

"Responsible Officer" shall mean any member of an applicable Board of an Issuer or any other officer of the Issuer or the Administration District on behalf of the Issuer, including the Secretary or other person designated by Certified Resolution of the Issuer, a copy of which shall be on file with the Trustee, to act for any of the foregoing, either generally or with respect to the execution of any particular document or other specific matter.

"Revenue Fund" shall mean the Fund so designated which is established pursuant to Section 6.03 hereof.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

"S&P" shall mean Standard & Poor's Ratings Service, a division of The McGraw-Hill Companies, Inc., a corporation organized and existing under the laws of the State of New York, its successors and assigns, and, if such corporation shall be dissolved or liquidated or shall no longer perform the functions of a securities rating agency, "S&P" shall be deemed to refer to any other nationally recognized securities rating agency designated by the Issuer and acceptable to the Trustee.

"Series" shall mean all of the Bonds authenticated and delivered at one time on original issuance and pursuant to any Certified Resolution of the Issuer authorizing such Bonds as a separate Series of Bonds, or any Bonds thereafter authenticated and delivered in lieu of or in substitution for such Bonds pursuant to Article II hereof and the Applicable Indenture, regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Applicable Indenture if designated as separate Series of Bonds by the Issuer upon original issuance. As may be provided by subsequent proceedings of the Issuer, one or more Series of Bonds or sub-Series Bonds, whether issued at the same time or not, may be separately secured by Special Assessments imposed pursuant to separate assessment proceedings. Such Bonds or sub-Series of Bonds which are secured by separate Special Assessments will not be issued as parity bonds even if issued at the same time.

"Series Project" shall mean the portion of the Total Project financed in whole or in part by a Series of Bonds, as identified in the applicable Supplemental Indenture.

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Every "request," "requisition," "order," "demand," "application," "notice," "statement," "certificate," "consent," or similar action hereunder by the Issuer shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by the Responsible Officer of the Issuer.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

[END OF ARTICLE I]

"Series Project Documents" shall mean all permits, drawings, plans and specifications, contracts and other instruments and rights relating to a Series Project and the Development assigned by the Developer to the Issuer pursuant to a collateral assignment.

"Sinking Fund Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 6.04 hereof.

"Special Assessments" shall mean (a) the net proceeds derived from the levy and collection of "special assessments," as provided for in Sections 190.011(14) and 190.022 of the Act against District Lands that are subject to assessment as a result of the Total Project or any portion thereof or against one or more identified Assessment Areas or Districts, and (b) the net proceeds derived from the levy and collection of "benefit special assessments," as provided for in Section 190.021(2) of the Act, against the lands within the District that are subject to assessment as a result of a particular Project or any portion thereof, and in the case of both "special assessments" and "benefit special assessments," including the interest and penalties on such assessments, pursuant to all applicable provisions of the Act and Chapter 170, Florida Statutes, and Chapter 197, Florida Statutes (and any successor statutes thereto), including, without limitation, any amount received from any foreclosure proceeding for the enforcement of collection of such assessments or from the issuance and sale of tax certificates with respect to such assessments, less (to the extent applicable) the fees and costs of collection thereof payable to the Tax Collector and less certain administrative costs payable to the Property Appraiser pursuant to the Property Appraiser and Tax Collector Agreement. "Special Assessments" shall not include "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance special assessments" levied and collected by the Issuer under Section 190.021(3) of the Act.

"Special Record Date" shall mean such date as shall be fixed for the payment of defaulted interest on the Bonds in accordance with Section 2.01 hereof.

"State" shall mean the State of Florida.

"Supplemental Indenture" and "indenture supplemental hereto" shall mean any indenture amending or supplementing this Master Indenture which may be entered into in accordance with the provisions of this Master Indenture.

"Tax Collector" shall mean the tax collector of the County.

"Tax-Exempt Bonds" shall mean Bonds issued by the Issuer the interest on which is excluded from gross income for federal income tax purposes. The Center District shall be prohibited from issuing Tax-Exempt Bonds under this Master Indenture.

"Total Project" shall mean all of the Public Infrastructure identified in the Master Engineer's Report to be financed in whole or in part by the Districts.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Bond), refer to the entire Master Indenture.

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## ARTICLE II THE BONDS

SECTION 2.01. Amounts and Terms of Bonds; Details of Bonds. The Issuer is hereby authorized to issue in one or more Series pursuant to the terms and conditions of this Master Indenture, its obligations to be known as "[Insert Name of Verano District Acting as Issuer] Special Assessment Bonds, Series [to be designated]" (the "Bonds"). The total principal amount of Bonds that may be issued and Outstanding under this Master Indenture shall not be limited, but shall be subject to any conditions set forth in a Supplemental Indenture and Florida law. The Bonds shall be issued in Authorized Denominations and within each Series shall be numbered consecutively from R-1 and upwards in each Series and in substantially the form attached hereto as Exhibit C, with such appropriate variations, omissions and insertions as are permitted or required by this Master Indenture or as otherwise provided in a Supplemental Indenture. All Bonds shall be issued only upon satisfaction of the conditions set forth in Article III hereof; and the Trustee shall, at the Issuer's request, authenticate such Bonds and deliver them as specified in such request.

Each Bond shall be dated, shall have such Interest Payment Dates, shall bear interest from such date or dates and at such rate or rates not exceeding the maximum rate permitted by law until the maturity thereof, payable on such Interest Payment Dates, and shall be stated to mature (subject to the right of prior redemption), all as provided in, or pursuant to, a Supplemental Indenture.

Both the principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender on the respective dates of payment thereof for the payment of public and private debts. Unless otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, the principal of all Bonds shall be payable at the corporate trust office of the Paying Agent upon the presentation and surrender of such Bonds as the same shall become due and payable.

Except to the extent otherwise provided in Section 2.11 hereof or in a Supplemental Indenture, interest on any Bond is payable on any Interest Payment Date by check or draft mailed on the Interest Payment Date to the person in whose name that Bond is registered at the close of business on the Regular Record Date for such Interest Payment Date, at his address as it appears on the Bond Register. The Bonds shall bear interest from the Interest Payment Date next preceding the date on which they are authenticated unless authenticated on an Interest Payment Date in which event they shall bear interest from such Interest Payment Date, or unless authenticated before the first Interest Payment Date in which event they shall bear interest from their date; provided, however, that if a Bond is authenticated between a Record Date and the next succeeding Interest Payment Date, such Bond shall bear interest from such succeeding Interest Payment Date; provided further, however, that if at the time of authentication of any Bond interest thereon is in default, such Bond shall bear interest from the date to which interest has been paid. Any interest on any Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to

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the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register. The foregoing notwithstanding, but subject to the procedures set forth in Section 2.11 hereof, any Owner of Bonds of a Series in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Trustee and Paying Agent, upon requesting the same in a writing received by the Trustee and Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Trustee and Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Trustee and Paying Agent at least fifteen (15) days prior to the relevant Record Date. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by such Bonds on the day before the default occurred.

The Trustee is hereby constituted and appointed as Paying Agent for the Bonds of each Series.

**SECTION 2.02. Execution.** The Bonds shall be executed by the manual or facsimile signature of the Chairman or Vice Chairman of the Board of the Issuer, and the corporate seal of the Issuer shall appear thereon (which may be in facsimile) and shall be attested by the manual or facsimile signature of its Secretary or Assistant Secretary. Bonds executed as above provided may be issued and shall, upon request of the Issuer, be authenticated by the Trustee, notwithstanding that one or both of the officers of the Issuer whose signatures appear on such Bonds have ceased to hold office at the time of issuance or authentication or shall not have held office at the date of the Bonds.

**SECTION 2.03. Authentication.** No Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, and such authentication shall be proof that the Bondholder is entitled to the benefit of the trust hereby created.

**SECTION 2.04. Registration and Registrar.** The Trustee is hereby constituted and appointed as the Registrar for the Bonds. The Registrar shall act as registrar and transfer agent for the Bonds. Each Issuer shall cause to be kept at an office of the Registrar a register (herein sometimes referred to as the "Bond Register" or "Register") in which, subject to the provisions set forth in Section 2.08 below and such other regulations as each Issuer and Registrar may prescribe, the Issuer shall provide for the registration of the Bonds and for the registration of transfers and exchanges of such Bonds. The Trustee shall notify the applicable Issuer in writing of the specific office location (which may be changed from time to time, upon similar notification) at which the Bond Register is kept. The Bond Registrar shall initially be kept at the Trustee's corporate trust office in Jacksonville, Florida.

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**SECTION 2.08. Registration, Transfer and Exchange.** As provided in Section 2.04 hereof, the Issuer shall cause a Bond Register in respect of the Bonds to be kept at the designated office of the Registrar.

Upon surrender for requisition of transfer of any Bond at the designated office of the Registrar, and upon compliance with the conditions for the transfer of Bonds set forth in this Section 2.08, the Issuer shall execute and the Trustee (or Registrar as described in Section 2.03 and Section 2.04 hereof) shall authenticate and deliver, in the name of the designated transferees, one or more new Bonds of a like aggregate principal amount and of the same Series and maturity.

At the option of the Bondholder, Bonds may be exchanged for other Bonds of a like aggregate principal amount and of the same Series and maturity, upon surrender of the Bonds to be exchanged at any such office or agency. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Trustee (or Registrar as described in Section 2.03 and Section 2.04 hereof) shall authenticate and deliver the Bonds which the Bondholder making the exchange is entitled to receive.

All Bonds issued upon any transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under this Master Indenture and applicable Supplemental Indenture as the Bonds of such Series surrendered upon such transfer or exchange.

Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing.

Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds.

Neither the Issuer nor the Registrar on behalf of the Issuer shall be required (i) to issue, transfer or exchange any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

**SECTION 2.09. Persons Deemed Owners.** The Issuer, the Trustee, any Paying Agent, or the Registrar shall deem and treat the person in whose name any Bond of a Series of such Issuer is registered as the absolute Owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, any Paying Agent or the Registrar) for the purpose of receiving payment of or on account of the principal or Redemption Price of and interest on such Bond, and for all other purposes, and the Issuer, the Trustee, any Paying Agent, and the Registrar shall not be affected by any notice to the contrary. All such payments so made to any such Owner, or upon his order, shall be valid and, to the extent of the sum or sums so paid, effectual to satisfy and discharge the liability for moneys payable upon any such Bond.

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**SECTION 2.05. Mutilated, Destroyed, Lost or Stolen Bonds.** If any Bond shall become mutilated, the Issuer shall execute and the Trustee shall thereupon authenticate and deliver a new Bond of like Series, tenor and denomination in exchange and substitution for the Bond so mutilated, but only upon surrender to the Trustee of such mutilated Bond for cancellation, and the Issuer and the Trustee may require reasonable indemnity therefor. If any Bond shall be reported lost, stolen or destroyed, evidence as to the ownership and the loss, theft or destruction thereof shall be submitted to the Issuer and the Trustee; and if such evidence shall be satisfactory to both and indemnity satisfactory to both shall be given, the Issuer shall execute, and thereupon the Trustee shall authenticate and deliver a new Bond of like Series, tenor and denomination. The cost of providing any substitute Bond under the provisions of this Section shall be borne by the Bondholder for whose benefit such substitute Bond is provided. If any such mutilated, lost, stolen or destroyed Bond shall have matured or be about to mature, the Issuer may, with the consent of the Trustee, pay to the Owner the principal amount of and accrued interest on such Bond upon the maturity thereof and compliance with the aforesaid conditions by such Owner, without the issuance of a substitute Bond therefor.

Every substituted Bond issued pursuant to this Section 2.05 shall constitute an additional contractual obligation of the Issuer of such Bond, whether or not the Bond alleged to have been destroyed, lost or stolen shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Master Indenture and applicable Supplemental Indenture equally and proportionately with any and all other Bonds of such same Series duly issued hereunder and under such Supplemental Indenture.

All Bonds shall be held and owned upon the express condition that the foregoing provisions are exclusive with respect to the replacement or payment of mutilated, destroyed, lost or stolen Bonds, and shall preclude any and all other rights or remedies with respect to the replacement or payment of negotiable instruments, investments or other securities without their surrender.

**SECTION 2.06. Temporary Bonds.** Pending preparation of definitive Bonds, or by agreement with the original purchasers of all Bonds, the Issuer may issue and, upon its request, the Trustee shall authenticate in lieu of definitive Bonds one or more temporary printed or typewritten Bonds of substantially the tenor recited above. Upon request of the Issuer, the Trustee shall authenticate definitive Bonds in exchange for and upon surrender of an equal principal amount of temporary Bonds. Until so exchanged, temporary Bonds shall have the same rights, remedies and security hereunder as definitive Bonds. So long as Cede & Co., or any other nominee of DTC is the registered Owner of the Bonds, the definitive Bonds shall be in typewritten form.

**SECTION 2.07. Cancellation and Destruction of Surrendered Bonds.** All Bonds surrendered for payment or redemption and all Bonds surrendered for exchange shall, at the time of such payment, redemption or exchange, be promptly transferred by the Registrar, Paying Agent to, and cancelled and destroyed by, the Trustee in accordance with its retention policy then in effect.

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**SECTION 2.10. Limitation on Incurrence of Certain Indebtedness.** The Issuer will not issue Bonds of any Series, except upon the conditions and in the manner provided or as otherwise permitted in the Indenture, provided that the Issuer may enter into agreements with issuers of Credit Facilities which involve liens on Pledged Revenues on a parity with that of the Bonds or portion thereof which is supported by such Credit Facilities.

**SECTION 2.11. Qualification for The Depository Trust Company.** To the extent provided in a Supplemental Indenture or authorized and directed by a Resolution of the Issuer authorizing the issuance of a Series of Bonds, the Trustee shall be authorized to enter into agreements with The Depository Trust Company ("DTC"), New York, New York and other depository trust companies, including, but not limited to, agreements necessary for wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, telecopy or other similar means of communication.

So long as there shall be maintained a book-entry-only system with respect to a Series of Bonds, the following provisions shall apply:

Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, each Series of Bonds shall initially be registered in the name of Cede & Co. as nominee for DTC, which will act initially as securities depository for the Bonds and so long as the Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof. On original issue, such Bonds shall be deposited with DTC, which shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Bonds ("Beneficial Owners").

Principal and interest on the Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC without the need for presentment of such Bonds. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

The Bonds registered in the name of Cede & Co. shall initially be issued in the form of one fully registered Bond for each maturity of each Series registered in the name of Cede & Co. and shall be held in such form until maturity. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Bonds, through DTC Participants and Indirect Participants.

DURING THE PERIOD FOR WHICH CEDE & CO. IS REGISTERED OWNER OF THE BONDS, ANY NOTICES TO BE PROVIDED TO ANY REGISTERED OWNER WILL

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BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICES TO DTC PARTICIPANTS AND DTC PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO BENEFICIAL OWNERS.

The Issuer and the Trustee, if appropriate, shall enter into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer. In the event of such termination, the Issuer shall select another securities depository. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Bonds in the form of fully registered Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer elects to discontinue the book-entry only system in conformity with the requirements of DTC, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Bonds may be exchanged for an equal aggregate principal amount of Bonds in other Authorized Denominations and of the same maturity and Series upon surrender thereof at the corporate trust office of the Trustee.

[END OF ARTICLE II]

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which the Special Assessments are made, coveal with the lien of all state, county, district and municipal ad valorem taxes and superior in priority to all other liens, titles and claims against said property then existing or thereafter created, until paid; (h) this Master Indenture and the applicable Supplemental Indenture has been duly and validly authorized, approved, and executed by the Issuer; (i) the issuance of the Series of Bonds has been duly authorized and approved by the Board; and (j) this Master Indenture and the applicable Supplemental Indenture (assuming due authorization, execution and delivery by the Trustee) constitutes a binding obligation of the Issuer, enforceable against the Issuer in accordance with its terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity (clauses (c) (d) and (e) shall not apply in the case of the issuance of a refunding Series of Bonds).

(3) a Consulting Engineer's certificate addressed to the Issuer and the Trustee setting forth the estimated cost of the Project, and in the case of an acquisition by the Issuer of all or a portion of a Series Project that has been completed, stating, in the signer's opinion, (a) that the portion of the Public Infrastructure of a Series Project to be acquired from the proceeds of such Bonds have been completed in accordance with the plans and specifications thereof; (b) the Public Infrastructure of a Series Project are constructed in a sound workmanlike manner and in accordance with industry standards; (c) the purchase price to be paid by the Issuer for the Public Infrastructure of a Series Project is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual Cost of construction of such improvements; and (d) the plans and specifications for the Public Infrastructure of a Series Project have been approved by all Regulatory Bodies required to approve them (specifying such Regulatory Bodies) or such approval can reasonably be expected to be obtained; provided, however, that in lieu of the information required in clause (a), there may be delivered to the Trustee satisfactory evidence of the acceptance of operational and maintenance responsibility of each component of the Project by one or more governmental entities (the foregoing shall not be applicable in the case of the issuance of a refunding Series of Bonds);

(4) a copy of the Supplemental Indenture for such Bonds, certified by the Secretary or Assistant Secretary of the Issuer as being a true and correct copy thereof;

(5) the proceeds of the sale of such Bonds together with any required equity deposit by the Developer;

(6) any Credit Facility authorized by the Issuer in respect to such Bonds;

(7) one or more Certified Resolutions of the Issuer relating to the levy of Special Assessments in respect of a Series Project, and evidencing that the Issuer has undertaken and, to the extent then required under applicable law, completed all necessary proceedings, including, without limitation, the approval of assessment rolls, the holding of public hearings, the adoption of resolutions and the establishment of all necessary

### ARTICLE III ISSUE OF BONDS

SECTION 3.01. Issue of Bonds. Subject to the provisions of Section 2.01 hereof, each District acting as Issuer may issue one or more Series of Bonds hereunder and under Supplemental Indentures from time to time for the purpose of financing the Cost of acquisition or construction of any portion of the Total Project or to refund all or a portion of a Series of Bonds (and to pay the costs of the issuance of such Bonds and to pay the amounts required to be deposited with respect to such Bonds in the Funds and Accounts established under the Applicable Indenture). In connection with the issuance of a Series of Bonds the Trustee shall, at the request of the Issuer, authenticate the Bonds and deliver or cause them to be authenticated and delivered, as specified in the request, but only upon receipt of:

(1) a Certified Resolution of the Issuer (a) approving a Supplemental Indenture under which the Series of Bonds are to be issued; (b) providing the terms of the Bonds and directing the payments to be made into the Funds and Accounts in respect thereof as provided in Article VI hereof; (c) authorizing the execution and delivery of the Series of Bonds to be issued; and (d) if the purpose is to effectuate a refunding, authorizing the redemption, if any, of the Bonds to be refunded and the defeasance thereof, and the execution and delivery of an escrow agreement, if applicable, and other matters contained in Section XIV hereof;

(2) a written opinion or opinions of Counsel to the Issuer, which shall also be addressed to the Trustee to the effect that (a) all conditions prescribed herein as precedent to the issuance of the Bonds of a Series have been fulfilled; (b) the Bonds of such Series have been validly authorized and executed by the Issuer and when authenticated and delivered pursuant to the request of the Issuer will be valid obligations of the Issuer entitled to the benefit of the trust created hereby and will be enforceable in accordance with their terms except as enforcement thereof may be affected by bankruptcy, reorganization, insolvency, moratorium and other similar laws relating to creditors' rights generally and subject to equitable principles, whether in a proceeding at law or in equity; (c) any consents of any Regulatory Bodies required in connection with the issuance of the Bonds or in connection with the acquisition of the improvements included in the Project have been obtained or can be reasonably expected to be obtained on or prior to the date such consents are required for the Project; (d) if the acquisition of any real property or interest therein is included in the purpose of such issue, (i) the Issuer has or can acquire good and marketable title thereto free from all liens and encumbrances except such as will not materially interfere with the proposed use thereof or (ii) the Issuer has or can acquire a valid, subsisting and enforceable leasehold, easement, right-of-way or other interest in real property sufficient to effectuate the purpose of the issue (which opinion may be stated in reliance on the opinion of other Counsel satisfactory to the signer or on a title insurance policy issued by a reputable title company); (e) the Issuer has good right and lawful authority under the Act to undertake the Project; (f) that the Special Assessment proceedings have been taken in accordance with Florida law and that the Issuer has taken all action necessary to levy and impose the Special Assessments; (g) that the Special Assessments are legal, valid, and binding liens upon the property against

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collection procedures, in order to levy and collect Special Assessments upon the District Lands in an amount sufficient to pay the Debt Service Requirement on the Bonds to be issued;

(8) an executed opinion of Bond Counsel, except that Bond Counsel will render no opinion regarding the tax status of any Bonds of a Series issued by the Center District;

(9) a written direction of the Issuer to the Trustee to authenticate and deliver such Bonds;

(10) a copy of a Final Judgment of validation and a Certificate of No Appeal with respect to the Bonds that are subject to validation or an opinion of Counsel to the Issuer that the Bonds are not subject to validation;

(11) a collateral assignment from the Developer to the Issuer of the Project Documents;

(12) in the case of the issuance of a refunding Series of Bonds, an Officer's Certificate of the Issuer stating (a) the Bonds to be refunded; (b) any other amounts available for such purpose; (c) that the proceeds of the issue plus the other amounts, if any, stated to be available for the purpose will be sufficient to refund the Bonds to be refunded in accordance with the refunding plan and in compliance with Article XIV of this Master Indenture, including, without limitation, to pay the Costs of issuance of such Bonds, and (d) that notice of redemption, if applicable, of the Bonds to be refunded has been duly given or that provision has been made therefor, as applicable;

(13) in the case of the issuance of a refunding Series of Bonds, a written opinion of Bond Counsel to the effect that the issuance of such Bonds will not adversely affect the exclusion from gross income for federal income tax purposes of interest on any Bonds issued pursuant to the Indenture (to the extent that upon original issuance thereof such Bonds were issued as Bonds the interest on which is excludable from gross income for federal income tax purposes); and

(14) such other documents, certifications and opinions as shall be required by the Supplemental Indenture, by the Participating Underwriter or the initial purchaser of a Series of Bonds or by the Issuer or the Trustee upon advice of counsel.

At the option of the Issuer, any or all of the matters required to be stated in the Certified Resolution described in (1) above may instead be stated in a Supplemental Indenture, duly approved by a Certified Resolution of the Issuer. Execution of a Series of the Bonds by the Issuer shall be conclusive evidence of satisfaction of the conditions precedent set forth in this Article, as to the Issuer.

[END OF ARTICLE III]

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**ARTICLE IV  
ACQUISITION OF TOTAL PROJECT**

SECTION 4.01. Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete any Series Project or portion thereof for which any Series of Bonds is being issued in accordance with the plans and specifications therefor, as such plans and specifications may be amended from time to time, and subject to the specific requirements of the Supplemental Indenture for such Series of Bonds.

SECTION 4.02. Compliance Requirements. The Issuer will comply with all present and future laws, acts, rules, regulations, orders and requirements lawfully made and applicable in fact to any acquisition or construction hereby undertaken and shall obtain all necessary approvals under federal, state and local laws, acts, rules and regulations necessary for the acquisition, completion and operation of any Series Project or portion thereof for which any Series of Bonds is being issued and shall complete any Series Project or portion thereof in conformity with such approvals, laws, rules and regulations. Prior to the completion of a Series Project, in the event that the Developer shall fail to pay, when due, any Special Assessments levied against lands within the District owned by the Developer or any affiliated entity, the Issuer shall immediately take all actions necessary to complete the Project including taking control of the Series Project Documents.

[END OF ARTICLE IV]

**ARTICLE V  
ACQUISITION AND CONSTRUCTION FUND**

SECTION 5.01. Acquisition and Construction Fund. The Trustee shall establish an Acquisition and Construction Fund into which shall be deposited the proceeds from each Series of Bonds issued under the Indenture (unless otherwise specified herein or in the applicable Supplemental Indenture for a Series of Bonds) and from which Costs may be paid as set forth herein and in the applicable Supplemental Indenture. Unless otherwise specified in the applicable Supplemental Indenture, a separate Series Account shall be established in the Acquisition and Construction Fund with respect to each Series of Bonds issued hereunder and the proceeds of each Series of Bonds (other than Bonds issued to refund all or a portion of the Bonds) shall be deposited into the corresponding Series Account in the Acquisition and Construction Fund. The amounts in any Series Account of the Acquisition and Construction Fund, until applied as hereinafter provided, shall be held for the security of the Series of Bonds hereunder in respect of which such Series Account was established. Separate subaccounts within any Series Account of the Acquisition and Construction Fund shall be maintained by the Trustee in respect of each Series of Bonds upon request of the Issuer whenever, in the opinion of the Issuer or the Administration District on behalf of the Issuer, it is appropriate to have a separate accounting in respect of the Costs of any designated portion of the Project including, but not limited to, a costs of issuance subaccount. Payments shall be made from the appropriate Series Account of the Acquisition and Construction Fund to pay any unpaid Costs of Issuance of the Series of Bonds in question, including without limitation, legal, engineering, and consultants' fees and to pay amounts to be reimbursed to the Issuer for Costs advanced, and thereafter to pay Costs of planning, financing, acquisition, construction, reconstruction, equipping and installation of the Project or portion thereof.

(a) Deposits. In addition to the deposit of amounts received by the Trustee on the date of issuance of each Series of Bonds, the Issuer shall pay or cause to be paid to the Trustee, for deposit into the Series Account of the Acquisition and Construction Fund, as promptly as practicable, the following amounts:

(i) Payments made to the Issuer from the sale, lease or other disposition of any Series Project or any portion thereof;

(ii) The balance of insurance proceeds with respect to the loss or destruction of any Series Project or any portion thereof; and

(iii) Deposits made by the Developer pursuant to the terms and provisions of a Developer Funding Agreement.

Amounts in the applicable Series Account of the Acquisition and Construction Fund shall be applied to pay the Cost of the Total Project or a portion thereof, as applicable, pertaining to the Series of Bonds in question; provided, however, that if any amounts remain in the Series Account of the Acquisition and Construction Fund after the Completion Date (as defined in paragraph (c) below) of any Series Project or portion thereof pertaining to the Series of Bonds in question, and if such amounts are not reserved for payment of any remaining part of the Cost of a Series

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Project, such amounts shall be transferred to the applicable Series Account of the Bond Redemption Fund for application to the redemption of Bonds of the Series to which such proceeds relate, as set forth in Section 6.06 hereof or in the applicable Supplemental Indenture.

(b) Disbursements. Unless provided otherwise in a Supplemental Indenture, all payments from the Acquisition and Construction Fund shall be paid in accordance with the provisions of this subsection. Moneys in the appropriate Series Account of the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in this subsection (b). Before any such payment shall be made, the Issuer shall file with the Trustee a fully executed requisition in the form of Exhibit D attached hereto, as may be modified by the terms of the related Supplemental Indenture, signed by a Responsible Officer and, except for payments of cost of issuance, a certificate of the Consulting Engineer signed by a consulting engineer also in the form of Exhibit D attached hereto and as may be modified by terms of the related Supplemental Indenture. Upon receipt of each such requisition and accompanying certificate, the Trustee shall promptly withdraw from the appropriate Series Account of the Acquisition and Construction Fund and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate the accuracy or validity of the items delivered pursuant to this Section. All requisitions and certificates received by the Trustee pursuant to this Section 5.01 shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the Issuer, the Administration District, the Consulting Engineer, the Owner of any Bonds, and the agents and representatives thereof.

(c) Completion of Project. On the date of completion of a Series Project or if sufficient moneys are retained in the appropriate Series Account of the Acquisition and Construction Fund, to complete the Cost of a Series Project, in either case, as evidenced by the delivery of a Certificate of the Consulting Engineer and adoption of a resolution by the Board of the applicable Issuer accepting the Project as provided by Section 170.09, Florida Statutes, as amended (the "Completion Date"), the balance in the appropriate Series Account of the Acquisition and Construction Fund not reserved by the Issuer for the payment of any remaining part of the Cost of a Series Project shall be transferred by the Trustee to, and deposited in, the applicable Series Account of the Bond Redemption Fund and applied as provided in Section 6.06 hereof and in the applicable Supplemental Indenture.

[END OF ARTICLE V]

**ARTICLE VI  
SPECIAL ASSESSMENTS;  
APPLICATION THEREOF TO FUNDS AND ACCOUNTS**

SECTION 6.01. Special Assessments; Lien of Indenture on Pledged Revenues. The Issuer, or the Administration District on behalf of an Issuer, hereby covenants that it shall levy Special Assessments, and, unless provided otherwise with respect to a Series of Bonds, evidence and certify the same to the Tax Collector or shall cause the Property Appraiser to certify the same on the tax roll to the Tax Collector for collection by the Tax Collector and enforcement by the Tax Collector or the Issuer, pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable, to the extent and in the amount necessary to pay the Debt Service Requirement on Bonds of each Series issued and Outstanding hereunder.

The Issuer, or the Administration District on behalf of an Issuer, shall pay to the Trustee for deposit in the Series Account of the Revenue Fund established under Section 6.03 hereof all Special Assessments received by the Issuer from the levy thereof on the District Lands subject to assessments for the payment of the related Series of Bonds; provided, however, that amounts received as prepayments of Special Assessments shall be deposited directly into the applicable Series Account within the Bond Redemption Fund established hereunder or in any account thereof established pursuant to the applicable Supplemental Indenture. The Issuer, or the Administration District on behalf of an Issuer, shall notify the Trustee at the time of deposit of any amounts received as prepayments of Special Assessments and shall identify the related Series of Bonds. If necessary, the Issuer, or the Administration District on behalf of an Issuer, shall direct the landowner making such prepayment to specify what Series of Bonds such prepayments relate.

There are hereby pledged for the payment of the principal or Redemption Price of and interest on all Bonds of each Series issued and Outstanding under the Indenture and all reimbursements due to any Credit Facility Issuer for any drawing with respect to such Series of Bonds on its Credit Facility, including, without limitation, interest thereon, as required under the terms of the applicable Credit Facility Agreement, the Pledged Revenues; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Pledged Revenues securing such Series of Bonds, the Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and Bonds issued on a parity therewith and shall not secure any other Bonds or Series of Bonds. The Pledged Revenues shall immediately be subject to the lien and pledge of the Indenture without any physical delivery hereof or further act; provided, however, that the lien and pledge of the Indenture shall not apply to any moneys transferred by the Trustee to the Rebate Fund. The foregoing notwithstanding, to the extent provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, such Series of Bonds may be made payable from and secured by less than all of the Pledged Revenues, and any one or more of the provisions of this Master Indenture may be made inapplicable to such Series of Bonds, all as more specifically provided in the corresponding Supplemental Indenture; provided, however, that any such provisions shall apply only to the particular Series of Bonds authorized by such Supplemental Indenture and shall not affect in any manner whatsoever any Outstanding Series of Bonds.

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SECTION 6.02. Funds and Accounts Relating to the Bonds. The Funds and Accounts specified in this Article VI shall be established under this Master Indenture and each Supplemental Indenture pursuant to which a Series of Bonds is issued for the benefit of the specific Series of Bonds and any Series issued on a parity therewith and, unless expressly otherwise provided in said Supplemental Indenture, shall not apply to Bonds Outstanding hereunder issued under any other indenture supplemental hereto or if separately secured by separate Special Assessments. Unless provided otherwise by Supplemental Indenture, all moneys, including, without limitation, proceeds of a Series of Bonds, on deposit to the credit of the Funds and Accounts established hereunder and under a Supplemental Indenture (except for moneys transferred to the Rebate Fund) shall be pledged to the payment of the principal, redemption or purchase price of (as the case may be) and interest on the related Series of Bonds issued hereunder and under such Supplemental Indenture, and any Series issued on a parity therewith.

SECTION 6.03. Revenue Fund. The Trustee is hereby authorized and directed to establish a Revenue Fund and pursuant to a Supplemental Indenture a Series Account for each Series of Bonds issued hereunder, into which the Trustee shall immediately deposit any and all Special Assessments received from the levy thereof on the District Lands or any portion thereof (other than Prepayments) and any amounts received as the result of any foreclosure, sale of tax certificates or other remedial action for nonpayment of Special Assessments for the payment of the related Series of Bonds and other payments required hereunder or under the applicable Supplemental Indenture (unless such Special Assessments and/or other payments are specifically designated by the Issuer pursuant to a Supplemental Indenture for deposit into the Rebate Fund or any other Fund or Account established hereunder or under a Supplemental Indenture) and each Series Account therein shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. The Trustee shall transfer from amounts on deposit in the Series Account in the Revenue Fund to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority unless other times and/or other priorities are established in a Supplemental Indenture with respect to a Series of Bonds:

FIRST, upon receipt but no later than the Business Day preceding the first May 1 for which there is an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account of the Debt Service Fund to be applied to the payment of interest on the Bonds of a Series due on the next succeeding May 1, and no later than the Business Day next preceding each May 1 thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the related Series of Bonds becoming due on the next succeeding May 1, less any amount on deposit in such Interest Account not previously credited;

SECOND, beginning on the date set forth in the related Supplemental Indenture, and no later than the Business Day next preceding each May 1 or November 1, as designated in the applicable Supplemental Indenture thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Principal Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such

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SECTION 6.04. Debt Service Fund. The Trustee is hereby authorized and directed to establish a Debt Service Fund which shall consist of amounts deposited therein by the Trustee and any other amounts the Issuer may pay to the Trustee for deposit therein with respect to the related Series of Bonds. The Debt Service Fund shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. The Trustee shall establish within the Debt Service Fund pursuant to a Supplemental Indenture, a Series Principal Account, a Series Interest Account and, if applicable, a Series Sinking Fund Account for each Series of Bonds and a Series Capitalized Interest Account, which accounts shall be separate and apart from all other Funds and Accounts established under the Applicable Indenture and from all other moneys of the Trustee.

The Trustee at all times shall make available to any Paying Agent the funds in the Series Principal Account and the Series Interest Account of the Debt Service Fund to pay the principal of the applicable Series of Bonds as they mature upon surrender thereof and the interest on the applicable Series of Bonds as it becomes payable, respectively. When a Series of Bonds is redeemed, the amount, if any, in the Debt Service Fund representing interest thereon shall be applied to the payment of accrued interest in connection with such redemption.

The Trustee shall apply moneys in the Series Sinking Fund Account in the Debt Service Fund for purchase or redemption of the applicable Series of Bonds in amounts and maturities set forth in the Supplemental Indenture. Whenever Bonds of a Series are to be purchased out of such Series Sinking Fund Account, if the Issuer shall notify the Trustee that the Issuer wishes to arrange for such purchase, the Trustee shall comply with the Issuer's arrangements provided they conform to the Indenture.

Except to the extent otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, purchases and redemptions out of the Series Sinking Fund Account shall be made as follows:

(a) The Trustee shall apply the amounts required to be transferred to the Series Sinking Fund Account (less any moneys applied to the purchase of Bonds of the applicable Series pursuant to the next sentence hereof) on the mandatory sinking fund redemption date in each of the years set forth in the Supplemental Indenture to the redemption of Bonds of the related Series in the amounts, manner and maturities and on the dates set forth in the Supplemental Indenture, at a Redemption Price of 100% of the principal amount thereof. At the written direction of the Issuer, the Trustee shall apply moneys from time to time available in the Series Sinking Fund Account to the purchase of Bonds of the applicable Series which mature in the aforesaid years, at prices not higher than the principal amount thereof, in lieu of redemption as aforesaid, provided that firm purchase commitments can be made before the notice of redemption would otherwise be required to be given. In the event of purchases at less than the principal amount thereof, the difference between the amount in the Series Sinking Fund Account representing the principal amount of the Bonds so purchased and the purchase price thereof (exclusive of accrued interest) shall be transferred to the related Series Interest Account of the Debt Service Fund.

Series maturing on the next succeeding principal payment date, less any amount on deposit in the applicable Series Principal Account not previously credited;

THIRD, beginning on the date set forth in the related Supplemental Indenture, and no later than the Business Day next preceding each May 1 or November 1, as so designated in the applicable Supplemental Indenture thereafter while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Bonds of such Series subject to mandatory sinking fund redemption on the next succeeding mandatory sinking fund redemption date, less any amount on deposit in the applicable Series Sinking Fund Account not previously credited;

FOURTH, upon receipt but no later than the Business Day preceding the first November 1 for which there remains an insufficient amount from Bond proceeds (or investment earnings thereon) on deposit in the applicable Series Interest Account to be applied to the payment of interest on the Bonds of a Series due on the next succeeding November 1, and no later than the Business Day next preceding each November 1 thereafter while Bonds of such Series issued under the Indenture remain Outstanding, to the applicable Series Interest Account of the Debt Service Fund, an amount equal to the interest on the Bonds of such Series becoming due on the next succeeding November 1, less any amount on deposit in the applicable Series Interest Account not previously credited;

FIFTH, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Bonds of a Series issued under the Indenture remain Outstanding, to the applicable Series Account of the Debt Service Reserve Fund, if any, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Debt Service Reserve Requirement;

SIXTH, subject to the foregoing paragraph, the balance of any moneys remaining in a Series Account of the Revenue Fund after making the foregoing deposits shall, subject to application by one or more Supplemental Indentures shall remain therein, unless pursuant to any Arbitrage Certificate it is necessary to make a deposit in the Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

The Trustee shall within ten (10) Business Days after the last Interest Payment Date in any calendar year, at the direction of the Issuer, withdraw any moneys held for the credit of the Revenue Fund and the applicable Series Accounts therein which are not otherwise required to be deposited pursuant to this Section and deposit such moneys as directed to the credit of the applicable Series Account of the Bond Redemption Fund in accordance with the provisions hereof. Notwithstanding the foregoing, if pursuant to any Arbitrage Certificate it is necessary to make a deposit in the Rebate Fund, the Issuer shall direct the Trustee to make such deposit thereto. Prepayments pledged to a particular Series of Bonds shall be deposited directly into the applicable Series Account of the Bond Redemption Fund as provided herein.

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(b) Accrued interest on purchased Bonds of a Series shall be paid from the related Series Interest Account of the Debt Service Fund.

(c) In lieu of paying the Debt Service Requirements necessary to allow any mandatory redemption of Bonds of a Series from the related Series Sinking Fund Account, the Issuer may present to the Trustee Bonds of such Series purchased by the Issuer pursuant to subparagraph (a) above and furnished for such purposes; provided, however, that no Bonds of such Series so purchased shall be credited towards the Debt Service Requirements in respect of the mandatory redemption of Bonds of such Series for which notice of redemption has been given pursuant to Section 8.02 of this Master Indenture. Any Bond so purchased shall be presented to the Trustee for cancellation. In such event, the Debt Service Requirements with respect to the Bonds of a Series for the period in which the purchased Bonds are presented to the Trustee shall, for all purposes hereunder, be reduced by an amount equal to the aggregate principal amount of any such Bonds so presented.

SECTION 6.05. Debt Service Reserve Fund. The Trustee is hereby authorized and directed to establish a Debt Service Reserve Fund and, if applicable, pursuant to a Supplemental Indenture a Series Account for each Series of Bonds issued hereunder. The Debt Service Reserve Fund and each Series Account therein shall be held by the Trustee solely for the benefit of each related Series of Bonds or sub-Series, as determined by the applicable Supplemental Indenture; provided, however, that notwithstanding anything to the contrary contained in this Master Indenture, the Supplemental Indenture authorizing the issuance of a Series of Bonds may provide that the Debt Service Reserve Fund is not applicable and no account therein shall secure such Series of Bonds. The Debt Service Reserve Fund and each Series Account therein shall constitute an irrevocable trust fund to be applied solely as set forth herein and shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, on the date of issuance and delivery of a Series of Bonds an amount of Bond proceeds or equity equal to the Debt Service Reserve Requirement in respect of such Series of Bonds, calculated as of the date of issuance and delivery of such Series of Bonds, shall be deposited in the related Series Account of the Debt Service Reserve Fund. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, and as long as there exists no default under the Indenture and the amount in the Series Account of the Debt Service Reserve Fund is not reduced below the then applicable Debt Service Reserve Requirement with respect to such Series of Bonds, earnings on investments in the Series Account of the Debt Service Reserve Fund shall, prior to the Completion Date of a Project, be transferred to the applicable Acquisition and Construction Account of the Acquisition and Construction Fund, and after the Completion Date, shall be, at the written direction of the Issuer, transferred to the related Series Account of the Revenue Fund. Otherwise, earnings on investments in each Series Account of the Debt Service Reserve Fund shall be retained therein until applied as set forth herein. If made applicable in a Supplemental Indenture, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement as a result of an optional prepayment by the owner of a lot or parcel of land of Special Assessments against such lot or parcel or a mandatory true-up payment, which Special Assessments are pledged for the payment and security of such Series of Bonds, the excess

amount shall, as directed by the terms of the applicable Series Supplement, be transferred from the Series Account or Subaccount of the Debt Service Reserve Fund to the applicable Series Account of the Bond Redemption Fund established for such Series of Bonds and shall constitute as a credit against such optional prepayment or true-up payment or be deposited in the applicable Series Account of the Revenue Fund. If made applicable in the Supplemental Indenture with respect to a Series of Bonds, in the event that the amount in a Series Account of the Debt Service Reserve Fund exceeds the Debt Service Reserve Requirement with respect to such Series of Bonds due to a decrease in the then applicable Debt Service Reserve Requirement for any other reason, the excess amount shall, as directed by the terms of the applicable Series Supplement, be transferred from the Series Account of the Debt Service Reserve Fund to the applicable Series Account or Subaccount of the Bond Redemption Fund.

Whenever for any reason on an Interest Payment Date, principal payment date or mandatory redemption date with respect to a related Series of Bonds secured by a Series Account of the Debt Service Reserve Fund the amount in the related Series Interest Account, the related Series Principal Account or the related Series Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on such Series of Bonds therefrom on such payment dates, the Trustee shall, without further instructions, transfer the amount of any such deficiency from the related Series Account of the Debt Service Reserve Fund into the related Series Interest Account, the related Series Principal Account and the related Series Sinking Fund Account, as the case may be, with priority to the related Series Interest Account and then, proportionately according to the respective deficiencies therein, to the related Series Principal Account and the related Series Sinking Fund Account, to be applied to pay the Series of Bonds secured by the Series Account of the Debt Service Reserve Fund.

SECTION 6.06. Bond Redemption Fund. Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, the Trustee is hereby authorized and directed to establish a Bond Redemption Fund and pursuant to a Supplemental Indenture a Series Account within the Bond Redemption Fund for each Series of Bonds issued hereunder into which shall be deposited, moneys in the amounts and at the times provided in Sections 5.01, 6.01, 6.03, 6.05, 9.08 and 9.14(c) of this Master Indenture. The Series Account within the Bond Redemption Fund shall constitute an irrevocable trust fund to be applied solely as set forth in the applicable Supplemental Indenture and shall be held by the Trustee separate and apart from all other Funds and Accounts held under such Indenture and from all other moneys of the Trustee. All earnings on investments held in the Series Account within the Bond Redemption Fund shall be retained therein and applied as set forth below.

Moneys in the Series Account within the Bond Redemption Fund (including all earnings on investments held in the Series Account within the Bond Redemption Fund) shall be accumulated therein to be used in the following order of priority, to the extent that the need therefor arises:

FIRST, (except for amounts resulting from prepayments of Special Assessments, which shall be applied as provided in the next paragraph) make such deposits into the Rebate Fund created and established under this Master Indenture as the Issuer may direct in accordance with an arbitrage rebate agreement, such moneys thereupon to be used

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investments in the various Funds and Accounts created under a Supplemental Indenture expressly and solely for the benefit of the Series of Bonds issued under such Supplemental Indenture shall be held in trust by the Trustee for the benefit of the Holders of, and Credit Facility Issuer with respect to, Bonds of that Series only.

SECTION 6.10. Unclaimed Moneys In the event any Bond shall not be presented for payment when the principal of such Bond becomes due, either at maturity or at the date fixed for redemption of such Bond or otherwise, if amounts sufficient to pay such Bond have been deposited with the Trustee for the benefit of the owner of the Bond and have remained unclaimed for three (3) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the knowledge of the Trustee in default with respect to any covenant in this Master Indenture, any Supplemental Indenture or the Bonds contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer; provided, however, that the Trustee, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

SECTION 6.11. Rebate Fund The Trustee is hereby authorized and directed to establish a Rebate Fund. Unless provided otherwise in a Supplemental Indenture, the Trustee shall transfer monies from the applicable Series Account in the Revenue Fund and deposit the same to the Rebate Fund, and shall make payments therefrom at the times and in the amounts required to comply with the covenants in the applicable Arbitrage Certificate as directed by the Issuer or the applicable rebate analyst. If so directed by the Issuer, the Trustee shall create one or more Series Accounts within the Rebate Fund relating to one or more particular Series of Bonds.

[END OF ARTICLE VII]

solely for the purposes specified in said arbitrage rebate agreement. Any moneys so transferred from the Series Account within the Bond Redemption Fund to the Rebate Fund shall thereupon be free from the lien and pledge of the related Indenture;

SECOND, to be used to call for redemption pursuant to clause (b) of Section 8.01 hereof an amount of Bonds of the applicable Series equal to the amount of money transferred to the Series Account within the Bond Redemption Fund pursuant to the aforesaid clauses or provisions, as appropriate, for the purpose of such extraordinary mandatory redemption on the dates and at the prices provided in such clauses or provisions, as appropriate; and

THIRD, the remainder to be utilized by the Trustee, at the direction of a Responsible Officer, to call for redemption on each Interest Payment Date or other date on which Bonds of the applicable Series are subject to optional redemption pursuant to Section 8.01(a) hereof such amount of Bonds of the applicable Series taking into account any redemption premium, as may be practicable; provided, however, that not less than Five Thousand Dollars (\$5,000) principal amount of Bonds of the applicable Series shall be called for redemption at one time.

Any such redemption shall be made in accordance with the provisions of Article VIII of this Master Indenture and the applicable provisions of the related Supplemental Indenture. The Issuer shall pay all expenses in connection with such redemption.

SECTION 6.07. Drawings on Credit Facility. With respect to Bonds in respect of which there has been issued a Credit Facility, the Trustee shall draw on the Credit Facility, in accordance with the provisions for drawing under such Credit Facility, and within the requisite time period, all as set forth in the Credit Facility Agreement or the Supplemental Indenture.

SECTION 6.08. Procedure When Funds Are Sufficient to Pay All Bonds of a Series. Unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, if at any time the moneys held by the Trustee in the Funds (other than the moneys in the Rebate Fund) and Accounts hereunder and under a Supplemental Indenture and available therefor are sufficient to pay the principal or Redemption Price of, as the case may be, and interest on all Bonds of a Series then Outstanding under such Indenture to maturity or prior redemption, together with any amounts due the Issuer and the Trustee, Paying Agent, Registrar, Credit Facility Issuer, if any, the Trustee, at the direction of the Issuer, shall apply the amounts in the Series Funds and Series Accounts to the payment of the aforesaid obligations and the Issuer shall not be required to pay over any further Pledged Revenues with respect to such Series of Bonds unless and until it shall appear that there is a deficiency in the Funds and Accounts held by the Trustee.

SECTION 6.09. Certain Moneys to Be Held for Series Bondowners Only. Each Series of Bonds issued pursuant to this Master Indenture and the related Supplemental Indenture shall be secured by Pledged Revenues relating to such Series, as set forth herein, and otherwise may be secured by such additional Funds and Accounts and other security (including, but not limited to, Credit Facilities) established by the pertinent Supplemental Indenture. Moneys and

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## ARTICLE VII SECURITY FOR AND INVESTMENT OR DEPOSIT OF FUNDS

SECTION 7.01. Deposits and Security Therefor. Unless otherwise as provided in the Supplemental Indenture with respect to a Series of Bonds, all moneys received by the Trustee under a Supplemental Indenture for deposit in any Fund or Account established under this Master Indenture or such Supplemental Indenture shall be considered trust funds, shall not be subject to lien or attachment, except for the lien created by this Master Indenture and the related Supplemental Indenture, and shall be deposited in with the Trustee, until or unless invested or deposited as provided in Section 7.02 hereof. All deposits of moneys received by the Trustee under this Master Indenture or such Supplemental Indenture (whether original deposits under this Section 7.01 or deposits or redeposits in time accounts under Section 7.02) shall, to the extent not insured, and to the extent permitted by law, be fully secured as to both principal and interest earned, by Investment Securities of the types set forth in the definition of Investment Securities and the provisions thereof. If at any time the Trustee is unwilling to accept such deposits or unable to secure them as provided above, the Trustee may deposit such moneys with any other depository which is authorized to receive them and the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC Savings Association Insurance Fund). All deposits in any other depository in excess of the amount covered by insurance (whether under this Section 7.01 or Section 7.02 as aforesaid) shall, to the extent permitted by law, be fully secured as to both principal and interest earned, in the same manner as required herein for deposits with the Trustee. Such security shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000.

SECTION 7.02. Investment or Deposit of Funds. Except to the extent otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Trustee shall, as directed by the Issuer in writing, invest moneys held in the Series Accounts in the Debt Service Fund and any Series Account within the Bond Redemption Fund created under any Supplemental Indenture only in Government Obligations and securities described in subparagraphs (iv), (v), (vi), (ix), (x) or (xi) of the definition of Investment Securities. Except to the extent otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Trustee shall, as directed by the Issuer or the Administration District on behalf of the Issuer, in writing, invest moneys held in any Series Account of the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth herein. All securities securing investments under this Section shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to Section 6.05 of this Master

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Indenture and unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, any interest and other income so received shall be deposited in the related Series Account of the Revenue Fund. Upon request of the Issuer, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as provided hereinafter. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund.

Absent specific instructions as aforesaid or as otherwise provided in a Supplemental Indenture, all moneys in the Funds and Accounts established under this Master Indenture or under any Supplemental Indenture shall be invested in investments of the nature described in subparagraphs (vi) and (xi) of the definition of Investment Securities. The Trustee shall not be liable or responsible for any loss or failure to achieve the highest return, or entitled to any gain, resulting from any investment or sale upon the investment instructions of the Issuer or otherwise, including that set forth in the first sentence of this paragraph. The Trustee may make any investments permitted by the provisions of this section through its own bond department or investment department.

**SECTION 7.03. Valuation of Funds.** The Trustee shall value the assets in each of the Funds and Accounts established hereunder or under any Supplemental Indenture forty-five (45) days prior to each interest payment date, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide each Issuer a report of the status of each Fund and Account as of the valuation date. In computing the assets of any Fund or Account, investments and accrued interest thereon shall be deemed a part thereof, subject to Section 7.02 hereof. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder or under any Supplemental Indenture, obligations in which money in such Fund or Account shall have been invested shall be valued at the market value or the amortized cost thereof, whichever is lower, or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder.

[END OF ARTICLE VII]

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(c) **Mandatory Sinking Fund Redemption.** Bonds of a Series may be subject to mandatory sinking fund redemption at a Redemption Price of 100% of the principal amount thereof plus accrued interest to the redemption date, in the years and amounts set forth in a Supplemental Indenture.

In connection with such mandatory sinking fund redemption of Bonds, amounts shall be transferred from the applicable Series Account of the Revenue Fund to the Series Sinking Fund Account of the Debt Service Fund, all as more particularly described in Section 6.03 hereof.

The principal amounts of scheduled Sinking Fund Installments shall be reduced as specified by the Issuer or as provided in Section 8.04 hereof by any principal amounts of the Bonds redeemed pursuant to Section 8.01(a) and (b) hereof or purchased pursuant to Section 6.04 hereof.

Upon any redemption of Bonds other than in accordance with scheduled Sinking Fund Installments, the Issuer shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to amortize the Outstanding principal amount of Bonds of such Series in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Bonds of such Series. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Bonds of such Series in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

**SECTION 8.02. Notice of Redemption and of Purchase.** Except where otherwise required by a Supplemental Indenture, when required to redeem or purchase Bonds of a Series under any provision of an Applicable Indenture or directed to do so by the Issuer, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Bonds of such Series for which notice was duly mailed in accordance with this Section 8.02. Such notice shall be given in the name of the Issuer (but may be given by the Administration District on behalf of the Issuer), shall be dated, shall set forth the Bonds of such Series Outstanding which shall be called for redemption or purchase and shall include, without limitation, the following additional information:

- (a) the redemption or purchase date;
- (b) the redemption or purchase price;
- (c) CUSIP numbers, to the extent applicable, and any other distinctive numbers and letters;

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## ARTICLE VIII REDEMPTION AND PURCHASE OF BONDS

**SECTION 8.01. Redemption Dates and Prices.** Unless provided otherwise in a Supplemental Indenture with respect to a Series of Bonds, the Bonds of a Series may be made subject to optional, mandatory and extraordinary redemption and purchase, either in whole or in part, by the Issuer, prior to maturity in the amounts, at the times and in the manner provided in this Article VIII and in the related Supplemental Indenture.

(a) **Optional Redemption.** Bonds of a Series shall be subject to optional redemption at the direction of the Issuer, at the times and upon payment of the purchase price as provided in the related Supplemental Indenture.

(b) **Extraordinary Mandatory Redemption in Whole or in Part.** Except as otherwise provided in a Supplemental Indenture with respect to Bonds of the related Series, Bonds of a Series are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any Interest Payment Date, at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued to the redemption date, (i) from moneys deposited into the related Series Account within the Bond Redemption Fund following the payment of Special Assessments on any portion of the District Lands in accordance with the provisions of Section 9.08 hereof; (ii) when sufficient moneys are on deposit in the related Series Funds and Accounts (other than moneys in the Rebate Fund and any other excluded Fund or Account as provided in a Supplemental Indenture with respect to a Series of Bonds) to pay and redeem all Outstanding Bonds of a Series and accrued interest thereon to the redemption date in addition to all amounts owed to Persons under the related Indenture; (iii) if made applicable in the Supplemental Indenture with respect to a Series of Bonds, from moneys in excess of the Debt Service Reserve Requirement for a Series of Bonds in the applicable Series Account of the Debt Service Reserve Fund transferred to the Series Account within the Bond Redemption Fund pursuant to Section 6.05 hereof; (iv) from excess moneys transferred from the Series Account of the Revenue Fund to the Series Account within the Bond Redemption Fund in accordance with Section 6.03 of this Master Indenture; (v) if the following is made applicable by the terms of a Supplemental Indenture, from moneys, if any, on deposit in the Series Account within the Bond Redemption Fund pursuant to Section 9.14(c) hereof following condemnation or the sale of any portion of the District Lands benefited by a Project to a governmental entity under threat of condemnation by such governmental entity or the damage or destruction of all or substantially all of the Project when such moneys are not to be used pursuant to 9.14(c) to repair, replace or restore the Project; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Project would not be economical or would be impracticable; or (vi) from amounts transferred to the Series Account of the Bond Redemption Fund from the Series Account of the Acquisition and Construction Fund in accordance with Section 5.01(c) or (d) hereof.

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(d) if less than all Outstanding Bonds of a Series to be redeemed or purchased, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed or purchased;

(e) that on the redemption or purchase date the Redemption Price or purchase price will become due and payable upon surrender of each such Bond or portion thereof called for redemption or purchase, and that interest thereon shall cease to accrue from and after said date; and

(f) the place where such Bonds are to be surrendered for payment of the redemption or purchase price, which place of payment shall be a corporate trust office of the Trustee.

If at the time of mailing of notice of redemption or purchase, the Issuer shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the Bonds called for redemption or purchase, such notice shall state that it is subject to the deposit of the redemption or purchase moneys with the Trustee or Paying Agent, as the case may be, not later than the opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

If the amount of funds deposited with the Trustee for such redemption, or otherwise available, is insufficient to pay the Redemption Price and accrued interest on the Bonds so called for redemption on the redemption date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed randomly from among all such Bonds called for redemption on such date, and among different maturities of Bonds in the same manner as the initial selection of Bonds to be redeemed, and from and after such redemption date, interest on the Bonds or portions thereof so paid shall cease to accrue and become payable; but interest on any Bonds or portions thereof not so paid shall continue to accrue until paid at the same rate as it would have had such Bonds not been called for redemption.

The notices required to be given by this Section 8.02 shall state that no representation is made as to correctness or accuracy of the CUSIP numbers listed in such notice or printed on the Bonds.

**SECTION 8.03. Payment of Redemption Price.** If any required (a) unconditional notice of redemption has been duly mailed or waived by the Owners of all Bonds called for redemption or (b) conditional notice of redemption has been so mailed or waived and the redemption moneys have been duly deposited with the Trustee or Paying Agent, then in either case, the Bonds called for redemption shall be payable on the redemption date at the applicable Redemption Price plus accrued interest, if any, to the redemption date. Bonds of a Series so called for redemption, for which moneys have been duly deposited with the Trustee, will cease to bear interest on the specified redemption date, shall no longer be secured by the related Indenture and shall not be deemed to be Outstanding under the provisions of the related Indenture.

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Payment of the Redemption Price, together with accrued interest, shall be made by the Trustee or Paying Agent to or upon the order of the Owners of the Bonds called for redemption upon surrender of such Bonds. The Redemption Price of the Bonds to be redeemed, the expenses of giving notice and any other expenses of redemption, shall be paid out of the Fund from which redemption is to be made or by the Issuer, or as specified in a Supplemental Indenture.

SECTION 8.04. Partial Redemption of Bonds. Except to the extent otherwise provided in a Supplemental Indenture, if less than all of a Series of Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of the Bonds to be called for redemption by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(a), such redemption shall be effectuated by redeeming Bonds of such Series of such maturities in such manner as shall be specified by the Issuer in writing or by the Administration District in writing on behalf of the Issuer, subject to the provisions of Section 8.01 hereof. In the case of any partial redemption of Bonds of a Series pursuant to Section 8.01(b), such redemption shall be effectuated by redeeming Bonds of such Series pro rata among the maturities, treating each date on which a Sinking Fund Installment is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds of such Series to be redeemed multiplied times a fraction the numerator of which is the principal amount of the Series of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Bonds of such Series outstanding immediately prior to the redemption date.

[END OF ARTICLE VIII]

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SECTION 9.03. Special Assessments; Re-Assessments.

(a) The Issuer, or the Administration District on behalf of the Issuer, shall levy Special Assessments, and, unless the Issuer, or the Administration District on behalf of the Issuer, collects the Special Assessments directly under the conditions set forth herein, evidence and certify the same to the Tax Collector or shall cause the Property Appraiser to certify the same on the tax roll to the Tax Collector for collection by the Tax Collector and enforcement by the Tax Collector or the Issuer pursuant to the Act, Chapter 170 or Chapter 197, Florida Statutes, or any successor statutes, as applicable, and Section 9.04 hereof, to the extent and in an amount sufficient to pay Debt Service Requirements on all Outstanding Bonds.

(b) If any Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the Issuer, or the Administration District on behalf of the Issuer, shall be satisfied that any such Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the Issuer shall have omitted to make such Special Assessment when it might have done so, the Issuer, or the Administration District on behalf of the Issuer, shall either (i) take all necessary steps to cause a new Special Assessment to be made for the whole or any part of said improvement or against any property benefited by said improvement, or (ii) in its sole discretion, make up the amount of such Special Assessment from any legally available moneys, which moneys shall be deposited into the applicable Series Account in the Revenue Fund. In case such second Special Assessment shall be annulled, the Issuer shall obtain and make other Special Assessments until a valid Special Assessment shall be made.

SECTION 9.04. Method of Collection. Special Assessments shall be collected by the Issuer, or the Administration District on behalf of the Issuer, in accordance with the provisions of the Act and Chapter 197, Florida Statutes, or any successor statutes thereto, as applicable, in accordance with the terms of this Section. Except as stated in the next succeeding sentence, the Issuer, or the Administration District on behalf of the Issuer, shall use the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes thereto (the "Uniform Method"), and to do all things necessary to continue to use the Uniform Method or a comparable alternative method afforded by Section 197.3631, Florida Statutes. Notwithstanding the foregoing, the Issuer, or the Administration District on behalf of the Issuer, shall not collect Special Assessments pursuant to the Uniform Method levied against District Lands while owned by the Developer prior to platting of such lands, unless the Trustee at the direction of the beneficial owners of a majority of Bonds Outstanding directs otherwise. The Issuer, or the Administration District on behalf of the Issuer, shall enter into or maintain in effect one or more written agreements with the Property Appraiser and the Tax Collector, either individually or jointly (together, the "Property Appraiser and Tax Collector Agreement") in order to effectuate the provisions of this Section. The Issuer, or the Administration District on behalf of the Issuer, shall ensure that any such Property Appraiser and Tax Collector Agreement remains in effect for at least as long as the final maturity of Bonds Outstanding under this Indenture. To the extent that the Issuer, or the Administration District on behalf of the Issuer, is legally prevented from collecting Special Assessments pursuant to the Uniform Method, is not required to collect Special Assessments pursuant to the Uniform Method in accordance with the provisions of this

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ARTICLE IX  
COVENANTS OF THE ISSUER

SECTION 9.01. Power to Issue Bonds and Create Lien. Each Issuer is duly authorized under the Act and all applicable laws of the State to issue the Bonds, to adopt and execute this Master Indenture and to pledge the Pledged Revenues for the benefit of the Bonds of a Series and any Credit Facility Issuer, except to the extent otherwise provided in a Supplemental Indenture. The Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Bonds of a Series and any Credit Facility Issuer with respect to such Series. The Bonds and the provisions of this Master Indenture and any Supplemental Indenture are and will be valid and legally enforceable obligations of the applicable Issuer in accordance with their respective terms. Each applicable Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by this Master Indenture and any Supplemental Indenture and all the rights of the Bondholders and any Credit Facility Issuer under this Master Indenture and any Supplemental Indenture against all claims and demands of all other Persons whomsoever.

SECTION 9.02. Payment of Principal and Interest on Bonds. The payment of the principal or Redemption Price of and interest on all of the Bonds of a Series issued under the Applicable Indenture shall be secured forthwith equally and ratably by a first lien on and pledge of the Pledged Revenues, except to the extent otherwise provided in a Supplemental Indenture; and Pledged Revenues in an amount sufficient to pay the principal or Redemption Price of and interest on the Bonds of a Series authorized by the Applicable Indenture are hereby irrevocably pledged to the payment of the principal or Redemption Price of and interest on the Bonds of a Series authorized under the related Indenture, as the same become due and payable. The Issuer shall promptly pay the interest on and the principal or Redemption Price of every Bond issued hereunder according to the terms thereof, but shall be required to make such payment only out of the Pledged Revenues.

THE BONDS AUTHORIZED UNDER THIS MASTER INDENTURE AND THE RELATED SUPPLEMENTAL INDENTURE AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF ANY ISSUER, INCLUDING, WITHOUT LIMITATION, THE TOTAL PROJECT OR ANY PORTION THEREOF IN RESPECT OF WHICH ANY SUCH BONDS ARE BEING ISSUED, OR ANY PART THEREOF, BUT SHALL CONSTITUTE A LIEN ONLY ON THE PLEDGED REVENUES AS SET FORTH IN THIS MASTER INDENTURE AND ANY SUPPLEMENTAL INDENTURE. NOTHING IN THE BONDS AUTHORIZED UNDER THIS MASTER INDENTURE AND ANY SUPPLEMENTAL INDENTURE SHALL BE CONSTRUED AS OBLIGATING ANY ISSUER TO PAY THE BONDS OR THE REDEMPTION PRICE THEREOF OR THE INTEREST THEREON EXCEPT FROM THE PLEDGED REVENUES, OR AS PLEDGING THE FAITH AND CREDIT OF ANY ISSUER, THE CITY, THE COUNTY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF, OR AS OBLIGATING ANY ISSUER, THE CITY, THE COUNTY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, DIRECTLY OR INDIRECTLY OR CONTINGENTLY, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATEVER THEREFOR.

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Section 9.04 or the District Manager determines that using the Uniform Method is not in the best interest of the Bondholders, the Issuer, or the Administration District on behalf of the Issuer, shall then and only under those circumstances pursuant to the applicable rules and procedures of the County, collect and enforce Special Assessments pursuant to any available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto.

SECTION 9.05. Delinquent Special Assessments; Sale of Tax Certificates and Issuance of Tax Deeds; Foreclosure of Special Assessment Liens.

(a) Subject to the provisions of Section 9.04 hereof, if the owner of any lot or parcel of land assessed for a particular Project shall be delinquent in the payment of any Special Assessment, then such Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida Statutes, or any successor statute thereto, including but not limited to the sale of tax certificates and tax deeds as regards such delinquent Special Assessment. In the event the provisions of Chapter 197, Florida Statutes, and any provisions of the Act with respect to such sale are inapplicable by operation of law, then upon the delinquency of any Special Assessment the Issuer, or the Administration District on behalf of the Issuer, shall, to the extent permitted by law, utilize any other method of enforcement as provided by Section 9.04 hereof, including, without limitation, declaring the entire unpaid balance of such Special Assessment to be in default and, at its own expense, cause such delinquent property to be foreclosed, pursuant to the provisions of Section 170.10, Florida Statutes, in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law. The Issuer covenants not to use the provisions of Chapter 173, Florida Statutes.

(b) If the Special Assessments levied and collected under the Uniform Method described in Section 9.04 are delinquent, then the applicable procedures for issuance and sale of tax certificates and tax deeds for nonpayment shall be followed in accordance with Chapter 197, Florida Statutes and related statutes. Alternatively, if the Uniform Method is not utilized, and if any property shall be offered for sale for the nonpayment of any Special Assessment, and no person or persons shall purchase the same for an amount at least equal to the full amount due on the Special Assessment (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the Issuer, to the extent the Issuer has available funds, for an amount equal to the balance due on the Special Assessment (principal, interest, penalties and costs, plus attorneys' fees, if any), and the Issuer shall thereupon receive in its corporate name or in the name of special purpose entity nominee of the Issuer, the title to the property for the benefit of the Registered Owners.

(c) Not less than ten (10) days prior to the filing of any foreclosure action or any sale of tax deed as herein provided, the Issuer, or the Administration District on behalf of the Issuer, shall cause written notice thereof to be mailed to the Registered Owners of the Series of Bonds secured by such delinquent Special Assessments. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the Issuer, or the Administration District on behalf of the Issuer, shall give written notice thereof to such Registered Owners.

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(d) Notwithstanding any of the foregoing to the contrary, for as long as there is an "Obligated Person," as defined under the Rule, then in addition to the Issuer, the decision to file a foreclosure action shall be made by the Majority of Holders of the Bonds so secured by the delinquent Special Assessments and such decision shall be communicated to the Issuer and Trustee in writing.

**SECTION 9.06. Management of Property Acquired by the Trustee or Issuer.** The Issuer, either through its own actions or actions caused to be done through the Trustee, shall have the power and shall use its best efforts to lease or sell such property and deposit all of the net proceeds of any such lease or sale into the related Series Account of the Revenue Fund. The Issuer, either through its own actions or actions of the Administration District of the Issuer or actions caused to be done through the Trustee, agrees that it shall be required to take the measure provided by law for sale of property acquired for the Registered Owners within thirty (30) days after the receipt of the request therefor signed by the Registered Owners of more than fifty percent (50%) of the aggregate principal amount of all Outstanding Bonds of the Series payable from Special Assessments assessed on such property. If directed by the Owners of more than fifty percent (50%) of the Outstanding Bonds of a Series or if the Trustee or the Issuer shall so elect, the Issuer and the Trustee may place title of property received upon foreclosure or deed in lieu of foreclosure into a special purpose entity controlled by the Trustee or such other entity acceptable to the Beneficial Holders of more than fifty percent (50%) of the Outstanding Bonds of a Series so effected by such foreclosure, for the benefit of the Registered Owners.

**SECTION 9.07. Books and Records with Respect to Special Assessments.** In addition to the books and records required to be kept by the Issuer, or the Administration District on behalf of the Issuer, pursuant to the provisions of Section 9.17 hereof, the Issuer shall keep books and records for the collection of the Special Assessments on the District Lands, which such books, records and accounts shall be kept separate and apart from all other books, records and accounts of the Issuer. The District Manager or the District Manager's designee, at the end of each Fiscal Year, shall prepare a written report setting forth the collections received, the number and amount of delinquencies, the proceedings taken to enforce collections and cure delinquencies and an estimate of time for the conclusion of such legal proceedings.

**SECTION 9.08. Removal of Special Assessment Liens.** Except as otherwise provided in a Supplemental Indenture with respect to a related Series of Bonds, the following procedures shall apply in connection with the removal of Special Assessment liens:

(a) At any time subsequent to thirty (30) days after a Series Project has been completed within the meaning of Section 5.01(e) hereof and the Board of the respective Issuer has adopted a resolution accepting the Series Project as provided by Section 170.09, Florida Statutes, as amended, any owner of property subject to the Special Assessments may, at its option, and under certain circumstances described in the assessment resolutions in connection with prepayments derived from application of the "True-Up" mechanism therein, require the Issuer to release and extinguish the lien, in whole or in part, upon its property by virtue of the levy of the Special Assessments by paying to the Issuer the entire amount or a portion, as the case may be, of the Special Assessment, plus accrued interest, attributable to the property subject to Special Assessment owned by such owner to the earlier of the next Interest Payment Date

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effect that the Special Assessment has been paid and that such Special Assessment lien is thereby released and extinguished. Except as otherwise provided by a Supplemental Indenture, upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the applicable Series Account within the Bond Redemption Fund to be applied to the redemption of Bonds in accordance with Section 8.01(b)(i) hereof.

**SECTION 9.09. Deposit of Special Assessments.** The Issuer covenants to cause any Special Assessments collected or otherwise received by it to be deposited with the Trustee within five (5) Business Days after receipt thereof for deposit into the related Series Account of the Revenue Fund (except that amounts received as Prepayments of Special Assessments shall be designated by the Issuer, or the Administration District on behalf of the Issuer, as such upon delivery to the Trustee and shall be deposited directly into the related Series Account within the Bond Redemption Fund).

**SECTION 9.10. Construction to be on District Lands.** Except for certain off site mitigation, roadway and possibly landscaping improvements which are or may be outside the District Lands and are required in order for the District Lands to be developed, the Issuer covenants that no part of the Total Project will be constructed on, over or under lands other than (i) lands good and marketable title to which is owned by the Issuer or other appropriate entity in fee simple, (ii) lands on, over or under which the Issuer or any of the Districts or other appropriate entity shall have acquired perpetual easements for the purposes of the Total Project, or (iii) lands, including public streets and highways, the right to the use and occupancy of which for such purposes shall be vested in the Issuer or any of the other Districts or other appropriate entity by law or by valid franchises, licenses, easements or rights of way or other legally effective permissions or approval.

**SECTION 9.11. Operation, Use and Maintenance of Project.** The Issuer, or the Administration District shall establish and enforce reasonable rules and regulations governing the use of any Series Project owned by the Issuer or any of the other Districts, and the operation thereof, such rules and regulations to be adopted in accordance with the Act, and the Issuer shall operate, use and maintain any Series Project owned by the Issuer or any of the other Districts in accordance with the Act and all other applicable federal and State laws, rules and regulations. The Issuer or any of the other Districts shall maintain and operate the Project owned by the Issuer in an efficient and economical manner, shall at all times maintain the same in good repair and in sound operating condition and shall make all necessary repairs, renewals and replacements.

**SECTION 9.12. Observance of and Compliance with Valid Requirements.** The Issuer shall pay or cause the Administration District to pay, on behalf of the Issuer, all municipal or governmental charges lawfully levied or assessed upon any Series Project or any part thereof or upon any revenues when the same shall become due, and the Issuer shall duly observe and comply with all valid requirements of any municipal or governmental authority relative to each related Series Project. The Issuer shall not, except as otherwise permitted in Section 9.24 of this Article, create or suffer to be created any lien or charge upon any Series Project or upon Pledged Revenues, except the lien and charge of the Bonds on the Pledged Revenues.

occurring at least forty-five (45) days after the Trustee receives such Prepayment. If any such prepayment of Special Assessments shall occur within thirty (30) days after a Series Project has been completed and the Board of the respective Issuer has adopted a resolution accepting the Series Project as provided in Section 170.09, Florida Statutes, as amended, no accrued interest shall be required to be paid. The Issuer, or the Administration District on behalf of the Issuer, shall promptly notify the Trustee in writing of any Prepayment made under such circumstances. Accrued interest on any Bonds that would be redeemed as a result of such Prepayment made within thirty (30) days after the Board of the respective Issuer has adopted a resolution accepting a Series Project shall be derived from moneys on deposit in the Interest Account or capitalized interest account and if no moneys remain, from moneys on deposit in the Debt Service Reserve Account.

(b) Upon receipt of a Prepayment as described in (a) above, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer, or the Administration District on behalf of the Issuer, or the Administration District on behalf of the Issuer, shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by an authorized officer of the Issuer or an authorized officer of the Administration District on behalf of the Issuer, to the effect that the Special Assessment has been paid in full or in part and that such Special Assessment lien is thereby released and extinguished if paid in full or such Special Assessment lien shall be reduced if the landowner only made a partial Prepayment. Upon receipt of any such moneys from the Issuer the Trustee shall immediately deposit the same into the Bond Redemption Fund to be applied to the redemption of Bonds in accordance with Section 8.01(b)(i) hereof. Unless provided otherwise in an Applicable Indenture, in connection with such Prepayment, the Trustee shall calculate the credit authorized pursuant to Section 6.05 hereof, and transfer such credit to the Bond Redemption Fund to be used together with such Prepayment for the redemption of Bonds in accordance with Section 8.01(b)(i) hereof.

(c) Notwithstanding the foregoing, and consistent with the proceedings of the Issuer, or the Administration District on behalf of the Issuer, relating to the imposition and levy of the Special Assessments, the owner of property (including the Developer) may at any time require the Issuer to release and extinguish the lien upon its property by virtue of the levy of the Special Assessments by paying to the Issuer the entire amount of the Special Assessment, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within forty-five (45) calendar days before an Interest Payment Date), attributable to the property subject to Special Assessment owned by such owner. In lieu of such Prepayment with cash, an owner of property within the District may surrender to the District for cancellation to completely extinguish the lien on such property or reduce the lien equally or on any portion of such property, a principal amount of Outstanding Bonds of a Series that is secured by Special Assessments levied against such property.

(d) Upon receipt of a prepayment as described in (a), (b) or (c) above, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer, or the Administration District on behalf of the Issuer, shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by an authorized officer of the Issuer, or the Administration District on behalf of the Issuer, to the

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**SECTION 9.13. Payment of Operating or Maintenance Costs by State or Others.** The Issuer may permit the United States of America, the State, or any of their agencies, departments or political subdivisions to pay all or any part of the cost of maintaining, repairing and operating any Series Project out of funds other than Pledged Revenues.

**SECTION 9.14. Public Liability and Property Damage Insurance; Maintenance of Insurance; Use of Insurance and Condemnation Proceeds.**

(a) Except as otherwise provided in subsection (d) of this Section, the Issuer, or the Administration District on behalf of the Issuer, will carry or cause to be carried, in respect of each Series Project, comprehensive general liability insurance (covering bodily injury and property damage) issued by one or more insurance companies authorized and qualified to do business under the laws of the State, in such amounts as is customary for similar operations, or as is more specifically set forth hereinbelow.

(b) At all times, to the extent commercially available, the Issuer, or the Administration District on behalf of the Issuer, shall maintain a practical insurance program, with reasonable terms, conditions, provisions and costs which the District Manager determines will afford adequate protection against loss caused by damage to or destruction of any component of any Series Project owned by the Issuer, or the Administration District on behalf of the Issuer. Limits for such coverage will be subject to the Consulting Engineer's recommendations. The Issuer shall also, at all times, maintain a practical comprehensive general liability insurance program with respect to any Series Project for such coverage, with such reasonable terms, conditions, provisions and costs as the District Manager determines will afford adequate protection against bodily injury and property damage.

All insurance policies of the Issuer relating to any Series Project shall be carried with companies authorized to do business in the State, with a Best rating of no less than "A" as to management and Class "V" as to financial strength; provided, however, that if, in the opinion of the District Manager, adequate insurance protection under reasonable terms, conditions, provisions and cost cannot be purchased from an insurance company with the above-designated ratings, then the District Manager, on behalf of the Issuer, may secure such insurance protection as the Issuer determines to be in its best interests and otherwise consistent with this Master Indenture and any Supplemental Indenture; provided further, however, that the Issuer, or the Administration District on behalf of the Issuer, may act as a self-insurer in accordance with the requirements of subsection (d) hereof. All policies providing the insurance coverages required by this Section shall designate the Issuer, or the Administration District on behalf of the Issuer, as the loss-payee and shall be made payable to the Issuer, or the Administration District on behalf of the Issuer.

(c) All proceeds received from property damage or destruction insurance and all proceeds received from the condemnation of any Series Project or any part thereof are hereby pledged by the Issuer as security for the related Series of Bonds and shall be deposited at the option of the Issuer, but subject to the limitations hereinafter described, either (i) into a separate fund to be established by the Trustee for such purpose which may be an account within the Acquisition and Construction Fund as directed by the Issuer, and used to remedy the loss,

damage or taking for which such proceeds are received, either by repairing the damaged property or replacing the destroyed or taken property, as soon as practicable after the receipt of such proceeds, or (ii) into the related Series Account within the Bond Redemption Fund for the purpose of purchasing or redeeming Bonds according to the provisions set forth in Article VIII hereof. The Issuer shall not be entitled to deposit insurance proceeds or condemnation awards into the separate fund described above in clause (i) of this paragraph (and such proceeds and awards shall be deposited directly into the related Series Account within the Bond Redemption Fund pursuant to clause (ii) of this paragraph) unless there shall have been filed with the Issuer within a reasonable time after the damage, destruction or condemnation (A) a certificate from the Consulting Engineer that the proceeds of the insurance or condemnation awards deposited into such separate fund, together with other funds available for such purposes, will be sufficient to repair, rebuild, replace or restore such property to substantially the same condition as it was in prior to its damage, destruction or condemnation (taking into consideration any changes, alterations and modifications that the Issuer may desire), (B) an opinion from the Consulting Engineer that the Series Project can be repaired, rebuilt, replaced or restored within two (2) years following the damage, destruction or condemnation thereof and (C) an opinion of the Consulting Engineer that, in each of the three (3) Fiscal Years following completion of such repair, rebuilding, replacement or restoration, the Issuer will be in compliance with its obligations hereunder. If the certificate described in clause (A) of this paragraph is not rendered because such proceeds or awards are insufficient for such purposes, the Issuer may deposit any other legally available funds in such separate fund in an amount required to enable the Consulting Engineer to render its certificate. If the insurance proceeds or condemnation awards deposited in such separate fund are more than sufficient to repair the damaged property or to replace the destroyed or taken property, the balance thereof remaining shall be deposited to the credit of the related Series Account in the Revenue Fund.

(d) The Issuer, or the Administration District on behalf of the Issuer, shall be entitled to provide all or a portion of the insurance coverage required by subsections (a) and (b) of this Section through Qualified Self Insurance, provided that the requirements hereinafter set forth in this subsection (d) are satisfied. "Qualified Self Insurance" means insurance maintained through a program of self-insurance or insurance maintained with a company or association in which the Issuer has a material interest or of which the Issuer has control, either singly or with others.

Prior to participation in any plan of Qualified Self Insurance not currently in effect, the Issuer, or the Administration District on behalf of the Issuer, shall deliver to the Trustee a certificate of compliance executed by the District Manager to the effect that (A) the proposed Qualified Self Insurance plan will provide the coverage required by subsections (a) and (b) of this Section, and (B) the proposed Qualified Self Insurance plan provides for the creation of actuarially sound reserves.

Each plan of Qualified Self Insurance shall be in written form, shall provide that upon the termination of such plan reserves will be established or insurance acquired in amounts adequate to cover any potential retained liability in respect of the period of self-insurance, and shall be reviewed annually by the District Manager or registered actuary who shall deliver to the Issuer a report on the adequacy of the reserves established thereunder in light of claims made. If the

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following year. The reports and budget of the Issuer shall relate to such Fiscal Year unless and until, in accordance with applicable law, a different Fiscal Year is established by Certified Resolution of the Issuer and is filed with the Trustee.

On or before the first day of each Fiscal Year the Issuer shall adopt a final Annual Budget with respect to the Series Project for such Fiscal Year for the payment of anticipated operating and maintenance expenses and shall supply a copy of such budget promptly upon the approval thereof to any Bondholders who shall have so requested in writing and shall have filed their names and addresses with the Secretary of the applicable Board for such purpose. If for any reason the Issuer shall not have adopted the Annual Budget with respect to any Series Project on or before the first day of any Fiscal Year, the Annual Budget for the preceding Fiscal Year shall, until the adoption of the new Annual Budget, be deemed in force for the ensuing Fiscal Year. The Issuer may at any time adopt an amended or supplemental Annual Budget for the remainder of the current Fiscal Year, and when such amended or supplemental Annual Budget is approved it shall be treated as the official Annual Budget under this Master Indenture and any Supplemental Indenture. Copies of such amended or supplemental Annual Budget shall be mailed by the Issuer to any Bondholders who shall have so requested in writing and shall have filed their names and addresses with the Secretary of the Board for such purpose.

#### SECTION 9.21. Employment of Consulting Engineer; Consulting Engineer's Report.

(a) The Issuer, or the Administration District on behalf of the Issuer, shall, for the purpose of performing and carrying out the duties imposed on the Consulting Engineer by this Master Indenture and any Supplemental Indenture, employ one or more Independent engineers or engineering firms or corporations having a statewide and favorable reputation for skill and experience in such work.

(b) The Issuer shall cause the Consulting Engineer to make an inspection of any portions of the Project owned by the Issuer at least once in each Fiscal Year and, on or before the first day of July in each Fiscal Year, to submit to the applicable Board a report setting forth (i) its findings as to whether such portions of the Project owned by the Issuer have been maintained in good repair, working order and condition, and (ii) its recommendations as to the proper maintenance, repair and operation of the Project during the ensuing Fiscal Year and an estimate of the amount of money necessary for such purpose.

Copies of such annual report shall be mailed by the Issuer to any Bondholders who shall have filed their names and addresses with the Secretary of the Board for such purpose.

SECTION 9.22. Audit Reports. The Issuer covenants that, no later than 270 days after the end of each Fiscal Year (or such other period as may be required under Florida law), it will cause an audit to be made by a Certified Public Accountant covering all receipts and moneys then on deposit with or in the name of the Trustee relating to each Series of Bonds and any security held therefor and any investments thereof. Copies of such audit reports shall be filed with the District Manager and the Secretary of the applicable Board, and mailed by said Secretary

District Manager or registered actuary determines that such reserves are inadequate in light of the claims made, he shall make recommendations as to the amount of reserves that should be established and maintained, and the Issuer shall comply with such recommendations.

(e) Copies of all recommendations and approvals made by the Consulting Engineer under the provisions of this Section shall be filed with the District Manager.

SECTION 9.15. Collection of Insurance Proceeds. Copies of all insurance policies referred to in Section 9.14 of this Article shall be available at the offices of the Issuer, or the Administration District on behalf of the Issuer, at all reasonable times to the inspection of the Holders of the Bonds and their agents and representatives duly authorized in writing. The Issuer, or the Administration District on behalf of the Issuer covenants that it will take or cause the Administration District to take on its behalf such action as may be necessary to demand, collect and sue for any insurance money which may become due and payable under any policy of insurance required under this Master Indenture or any Supplemental Indenture, whether such policy is payable to the Issuer, or the Administration District on behalf of the Issuer, or to the Trustee. The Trustee is hereby authorized in its own name to demand, collect, sue and receive any insurance money which may become due and payable under any policies payable to it.

SECTION 9.16. Use of Revenues for Authorized Purposes Only. None of the Pledged Revenues shall be used for any purpose other than as provided in this Master Indenture and the related Supplemental Indenture and no contract or contracts shall be entered into or any action taken by the Issuer or the Trustee which will be inconsistent with the provisions of this Master Indenture and the related Supplemental Indenture.

SECTION 9.17. Books and Records. The Issuer, or the Administration District on behalf of the Issuer, shall keep proper books of record and account in accordance with Generally Accepted Accounting Principles (separate from all other records and accounts) in which complete and correct entries shall be made of its transactions relating to any Series Project, and which, together with all other books and records of the Issuer, including, without limitation, insurance policies, relating to any Series Project, shall at all times be subject during regular business hours to the inspection of the Trustee.

SECTION 9.18. Observance of Accounting Standards. The Issuer covenants that all the accounts and records of the Issuer, or the Administration District on behalf of the Issuer, relating to the Series Project will be kept according to Generally Accepted Accounting Principles consistently applied and consistent with the provisions of this Master Indenture and any Supplemental Indenture.

SECTION 9.19. Employment of Certified Public Accountant. The Issuer shall employ or cause to be employed as required a Certified Public Accountant to perform accounting and auditing functions and duties required by the Act and this Master Indenture and any Supplemental Indenture.

SECTION 9.20. Establishment of Fiscal Year, Annual Budget. The Issuer has established a Fiscal Year beginning October 1 of each year and ending September 30 of the

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to the Consulting Engineer and to all Bondholders who shall have filed their names and addresses with him for such purpose.

SECTION 9.23. Information Required by the Issuer. The Issuer shall cause to be kept on file at all times copies of the schedules of Special Assessments levied on all applicable District Lands in respect of a Series Project. The Issuer shall keep accurate records and books of account with respect to all Series Projects it has issued Bonds for, and shall have a complete audit of such records and accounts made annually by a Certified Public Accountant, as provided in Section 9.22 hereof.

SECTION 9.24. Covenant Against Sale or Encumbrance; Exceptions. The Issuer covenants that, (a) except for those improvements comprising any Series Project or portions thereof that are to be conveyed by the Issuer to the City, the County, the State Department of Transportation or another governmental entity and (b) except as in this Section permitted, it will not sell, lease or otherwise dispose of or encumber any Series Project, or any part thereof. Subject to the provisions of Section 9.31 hereof, the Issuer may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments or other movable property acquired by it from the proceeds of a Series of Bonds or from Pledged Revenues if the District Manager shall determine, with the approval of the Consulting Engineer, that such items are no longer needed or are no longer useful in connection with the construction, maintenance and operation of the related Project, and the proceeds thereof shall be applied to the replacement of the properties so sold or disposed of or, at the written direction of the Issuer shall be deposited to the credit of the related Series Account in the Revenue Fund.

Upon any sale of property relating to the Project, the aggregate of which in any thirty (30) day period exceeds Fifty Thousand Dollars (\$50,000) under the provisions of this Section, the Issuer shall provide written notice to the Trustee of the property so sold and the amount and disposition of the proceeds thereof.

Subject to obtaining an opinion of Bond Counsel that such action will not adversely affect the exclusion of interest on the Bonds of the applicable Series for federal income tax purposes, the Issuer, or the Administration District on behalf of the Issuer, may lease or grant easements, franchises or concessions for the use of any part of any Series Project not incompatible with the maintenance and operation thereof, if the Consulting Engineer shall approve such lease, easement, franchise or concession in writing, and the net proceeds of any such lease, easement, franchise or concession (after the making of provision for payment from said proceeds of all costs incurred in financing, constructing, operating, maintaining or repairing such leases, easements, franchises or concessions) shall be deposited as received to the credit of related Series Account in the Revenue Fund.

#### SECTION 9.25. [RESERVED]

SECTION 9.26. No Loss of Lien on Pledged Revenue. The Issuer shall not do or omit to do, or suffer to be done or omitted to be done, any matter or thing whatsoever whereby the lien of the Bonds of any Series on the Pledged Revenues relating thereto or any part thereof, or the priority thereof, would be lost or impaired; provided, however, that this Section shall not



prohibit the Trustee from transferring moneys to the Rebate Fund held by the Trustee under any arbitrage rebate agreement.

SECTION 9.27. Compliance With Other Contracts and Agreements. The Issuer shall comply with and abide by all of the terms and conditions of any and all contracts and agreements which the Issuer enters into in connection with the Project and the issuance of the Bonds.

SECTION 9.28. Issuance of Additional Obligations. The Issuer shall not issue any obligations other than the Bonds payable from Pledged Revenues, nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge, payable from Pledged Revenues.

SECTION 9.29. Extension of Time for Payment of Interest Prohibited. The Issuer shall not directly or indirectly extend or assent to an extension of time for payment of any claim for interest on any of the Bonds and shall not directly or indirectly be a party to or approve any arrangement therefor by purchasing or funding or in any manner keeping alive any such claim for interest; no claim for interest which in any way, at or after maturity, shall have been transferred or pledged apart from the Bonds to which it relates or which shall in any manner have been kept alive after maturity by extension or by purchase thereof or on behalf of the Issuer, shall be entitled, in case of a default hereunder, to any benefit or security under this Master Indenture and any Supplemental Indenture except after the prior payment in full of the principal of all Bonds and claims for interest appertaining thereto not so transferred, pledged, kept alive or extended.

SECTION 9.30. Further Assurances. The Issuer shall not enter into any contract or take any action by which the rights of the Trustee or the Bondholders may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Master Indenture and any Supplemental Indenture.

SECTION 9.31. Use of Bond Proceeds to Comply with Internal Revenue Code. The Issuer covenants to the Holders of any Tax-Exempt Bonds that it will not make or direct the making of any investment or other use of the proceeds of any Tax-Exempt Bonds issued hereunder, the interest on which is intended to be excluded from gross income for federal income tax purposes which would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148 (or any successor provision thereto) of the Code or "private activity bonds" as that term is defined in Section 141 (or any successor provision thereto) of the Code, and that it will comply with the requirements of such Code sections and related regulations throughout the term of such Tax-Exempt Bonds. The Issuer hereby further covenants and agrees to comply with the procedures and covenants contained in any Arbitrage Certificate executed in connection with the issuance of each Series of Tax-Exempt Bonds for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on each Series of Tax-Exempt Bonds.

SECTION 9.32. Corporate Existence and Maintenance of Properties. For so long as any Bonds of any Series are Outstanding hereunder, unless otherwise provided by the Act, the

applicable Issuer shall maintain its corporate existence as a local unit of special purpose government under the Act and shall provide for or otherwise require all related Series Projects, and all parts thereof owned by such Issuer to be (a) continuously operated, repaired, improved and maintained as shall be necessary to provide adequate service to the lands benefited thereby; and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

SECTION 9.33. Continuing Disclosure. Each Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture and any Supplemental Indenture, failure of the Issuer or any "obligated person" within the meaning of the Rule, to comply with the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee may (and, at the request of any Participating Underwriter or the Holders of more than fifty percent (50%) aggregate principal amount in Outstanding Bonds of a Series and receipt of indemnity to its satisfaction, shall) or any Holder of the Bonds or Beneficial Owner may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the applicable Issuer to comply with its obligations under this Section 9.33. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

SECTION 9.34. Bankruptcy of Developer or Other Obligated Person Under the Rule. The provisions of this Section 9.34 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against the Developer or other "obligated" person (as defined under the Rule) (herein, the "Landowner") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any Bonds remain Outstanding, in any Proceeding involving any Issuer, any Landowner, or the Special Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the Bonds.

The Issuer acknowledges and agrees that, although the Bonds of a Series will be issued by the Issuer, the Beneficial Owners of such Bonds are categorically the party with a financial stake in the repayment of the Bonds of such Series and, consequently, the party with a vested interest in a Proceeding. In the event of any Proceeding involving any Landowner (a) the Issuer hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Special Assessments, the Bonds or any rights of the Trustee under this Master Indenture or applicable Supplemental Indenture that is inconsistent with any direction from the Trustee, (b) the Trustee shall have the right, but is not obligated to, vote in any such Proceeding and all claims of the applicable Issuer or Issuers, and, if the Trustee chooses to exercise such right, no Issuer shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of

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exercising any and all rights and taking any and all actions available to the Issuer in connection with any Proceeding of any Landowner, including without limitation, the right to file and/or prosecute any claims, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (c) no Issuer shall challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of any lands submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the Issuer's claim with respect to the Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, each Issuer agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Special Assessments, (ii) to deliver to the Issuer a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

[END OF ARTICLE IX]

## ARTICLE X EVENTS OF DEFAULT AND REMEDIES

SECTION 10.01. Events of Default and Remedies. Except to the extent otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, events of default and remedies with respect to each Series of Bonds shall be as set forth in this Master Indenture.

SECTION 10.02. Events of Default Defined. Each of the following shall be an "Event of Default" under the Indenture, with respect to a Series of Bonds:

- (a) if payment of any installment of interest on any Bond of such Series is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Bond of such Series is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the Issuer, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act which may be determined solely by the Majority Holder; or
- (d) if the Issuer proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the Issuer or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the Issuer and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or
- (e) if the Issuer defaults in the due and punctual performance of any other covenant in the Indenture or in any Bond of such Series issued pursuant to the Indenture and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the Issuer by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Holders of not less than a majority in aggregate principal amount of the Outstanding Bonds of such Series; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the Issuer shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or
- (f) written notice shall have been received by the Trustee from a Credit Facility Issuer securing Bonds of such Series that an event of default has occurred under the Credit Facility Agreement, or there shall have been a failure by said Credit Facility Issuer to make said Credit Facility available or to reinstate the interest component of said Credit Facility in



accordance with the terms of said Credit Facility, to the extent said notice or failure is established as an event of default under the terms of a Supplemental Indenture; or

(g) if at any time the amount in the Debt Service Reserve Fund or any account therein is less than the Debt Service Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Reserve Requirement on the Bonds of any Series and such amount has not been restored within thirty (30) days of such withdrawal.

The Trustee shall not be required to rely on any official action, admission or declaration by the Issuer before recognizing that an Event of Default under (c) above has occurred.

SECTION 10.03. [RESERVED].

SECTION 10.04. No Acceleration; Redemption. No Series of Bonds issued under this Master Indenture shall be subject to acceleration. Upon the occurrence and continuation of an Event of Default, no optional redemption or extraordinary mandatory redemption of the Bonds pursuant to Article VIII hereof shall occur unless all of the Bonds of the Series where an Event of Default has occurred will be redeemed or 100% of the Holders of such Series of Bonds agree to such redemption.

SECTION 10.05. Legal Proceedings by Trustee. If any Event of Default with respect to a Series of Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holders of the aggregate principal amount of the Outstanding Bonds of such Series and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Bonds of such Series, including, without limitation, the right to require the Issuer to carry out any agreements with, or for the benefit of, the Bondholders of the Bonds of such Series and to perform its or their duties under the Act;

(b) bring suit upon the Series of Bonds;

(c) by action or suit in equity require the Issuer to account as if it were the trustee of an express trust for the Holders of the Bonds of such Series;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Bonds of such Series; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing such Series of Bonds.

SECTION 10.06. Discontinuance of Proceedings by Trustee. Subject to the provisions of Section 10.16 hereof, if any proceeding taken by the Trustee on account of any Event of Default is discontinued or is determined adversely to the Trustee, the Issuer, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

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available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any preference or priority of one installment of interest over any other installment; and

SECOND: to payment to the persons entitled thereto of the unpaid principal or Redemption Price of any of the Bonds of such Series which shall have become due in the order of their due dates, with interest on such Bonds from the respective dates upon which they become due and, if the amount available shall not be sufficient to pay in full the principal or Redemption Price coming due on such Bonds on any particular date, together with such interest, then to the payment ratably, according to the amount of principal due on such date, to the persons entitled thereto without any preference or priority of one such Bond of a Series over another or of any installment of interest over another.

Any surplus remaining after the payments described above shall be paid to the Issuer or to the Person lawfully entitled to receive the same or as a court of competent jurisdiction may direct.

For purposes of the application of moneys described above, to the extent payments of principal of and interest on a Series of Bonds shall have been made under a Credit Facility relating thereto, the Credit Facility Issuer shall be entitled to moneys in the related Series Accounts in the Debt Service Fund in accordance with the agreement pursuant to which such Credit Facility has been issued (but subject to subsection (a) hereof and Section 11.04 hereof) and the Certified Resolution of the Issuer authorizing the issuance of such Bonds to which such Credit Facility relates.

SECTION 10.13. Trustee's Right to Receiver; Compliance with Act. The Trustee shall be entitled as of right to the appointment of a receiver and the Trustee, the Bondholders and any receiver so appointed shall have such rights and powers and be subject to such limitations and restrictions as are contained in the Act and other applicable law of the State.

SECTION 10.14. Trustee and Bondholders Entitled to all Remedies under Act. It is the purpose of this Article to provide such remedies to the Trustee and Bondholders as may be lawfully granted under the provisions of the Act and other applicable laws of the State; if any remedy herein granted shall be held unlawful, the Trustee and the Bondholders shall nevertheless be entitled to every other remedy provided by the Act and other applicable laws of the State.

SECTION 10.15. Credit Facility Issuer's Rights Upon Events of Default. Anything in the Indenture to the contrary notwithstanding, if any Event of Default, other than Events of Default described in Section 10.02(a) or (b) hereof, has occurred and is continuing while a Credit Facility securing all or a portion of such Bonds of a Series Outstanding is in effect, the Credit Facility Issuer shall have the right, in lieu of the Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility, by an instrument in writing, executed and delivered to the Trustee, to direct the time, method and place of conducting all remedial proceedings available to the Trustee under the Indenture, or exercising any trust or power conferred on the Trustee by

SECTION 10.07. Bondholders May Direct Proceedings. The Majority Holders of the aggregate principal amount of the Outstanding Bonds of a Series then subject to remedial proceedings under this Article X shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indenture.

SECTION 10.08. Limitations on Actions by Bondholders. Subject to the provisions of Section 10.16 hereof, no Bondholder of a Series subject to remedial proceeding shall have any right to pursue any remedy hereunder unless (a) the Trustee shall have been given written notice of an Event of Default, (b) the Majority Holders of the aggregate principal amount of the Outstanding Bonds of the applicable Series shall have requested the Trustee, in writing, to exercise the powers hereinabove granted or to pursue such remedy in its or their name or names, (c) the Trustee shall have been offered indemnity satisfactory to it against costs, expenses and liabilities, and (d) the Trustee shall have failed to comply with such request within a reasonable time.

SECTION 10.09. Trustee May Enforce Rights Without Possession of Bonds. All rights under the Indenture and a Series of Bonds may be enforced by the Trustee without the possession of any of the Bonds of such Series or the production thereof at the trial or other proceedings relative thereto, and any proceeding instituted by the Trustee shall be brought in its name for the ratable benefit of the Holders of the Bonds of such Series.

SECTION 10.10. Remedies Not Exclusive. Except as limited under Section 15.01 of this Master Indenture, no remedy contained in the Indenture with respect to a Series of Bonds is intended to be exclusive of any other remedy or remedies, and each remedy is in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

SECTION 10.11. Delays and Omissions Not to Impair Rights. No delay or omission in respect of exercising any right or power accruing upon any Event of Default shall impair such right or power or be a waiver of such Event of Default, and every remedy given by this Article X may be exercised from time to time and as often as may be deemed expedient.

SECTION 10.12. Application of Moneys in Event of Default. Any moneys received by the Trustee or the Paying Agent, as the case may be, in connection with any proceedings brought under this Article X with respect to a Series of Bonds shall be applied in the following order of priority:

(a) to the payment of the costs of the Trustee and Paying Agent incurred in connection with actions taken under this Article X with respect to such Series of Bonds, including counsel fees and any disbursements of the Trustee and the Paying Agent and payment of unpaid fees owed to the Trustee.

(b) then:

FIRST: to payment of all installments of interest then due on the Bonds of such Series in the order of maturity of such installments of interest, and, if the amount

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the Indenture. Said direction shall be controlling to the extent the direction of Owners of the Series of Bonds (or portion thereof) secured by said Credit Facility would have been controlling under this Article. If the Credit Facility Issuer shall be in default in the performance of its obligations under the Credit Facility, said Credit Facility Issuer shall have no rights under this Section.

SECTION 10.16. Events of Default of More than One Series of Bonds. If Events of Default have occurred and are continuing for more than one Series of Bonds as a result of any landowner(s) having failed to pay the Special Assessments, the Administration District shall determine which parcel or parcels of land affected by such non-payment which is subject to the greatest amount of Special Assessments relating to the defaulted Bonds of each Series. Upon such determination, the Administration District shall immediately provide such information to the Trustee. Based on such information, the Trustee shall follow the direction of the Majority Holders of such Series of Bonds.

[END OF ARTICLE X]

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**ARTICLE XI**  
**THE TRUSTEE; THE PAYING AGENT AND REGISTRAR**

SECTION 11.01. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article XI, to all of which the parties hereto the Bondholders and any Credit Facility Issuer agree. The Trustee shall act as Trustee under this Master Indenture. Subject to the provisions of Section 11.03 hereof, the Trustee shall have only such duties as are expressly set forth herein, and no duties shall be implied on the part of the Trustee.

SECTION 11.02. No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture or in the Bonds, save only the Trustee's Certificate of Authentication, if any, upon the Bonds, have been made by the Issuer and not by the Trustee and the Trustee shall be under no responsibility for the correctness thereof.

SECTION 11.03. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of Counsel concerning all questions hereunder; the Trustee shall not be answerable for the default or misconduct of any attorney or agent selected and supervised by it with reasonable care. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture and any Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own negligence or willful misconduct or breach of its obligations hereunder.

SECTION 11.04. Compensation and Indemnity. The Issuer shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, and shall, to the extent permitted by law, indemnify and hold the Trustee harmless against any liabilities which it may incur in the proper exercise and performance of its powers and duties hereunder, except with respect to its own willful misconduct, negligence or breach of its obligations hereunder. If the Issuer defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys held by the Trustee relating to a Series of Bonds for which such default exists or coming into its hands but exclusive of the Rebate Fund and moneys from a drawing on any Credit Facility, which right of payment shall be prior to the right of the holders of the Bonds. The Trustee shall promptly provide periodic reports of any moneys the Trustee has deducted for amounts owing to it. This Section 11.04 shall survive the termination of this Master Indenture and any Supplemental Indenture and, as to any Trustee, its removal or resignation as Trustee. No provision of this Master Indenture shall require the Trustee to expend or risk its own funds.

SECTION 11.05. No Duty to Renew Insurance. The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the Issuer to require or effect or renew insurance or to report or file claims of loss thereunder.

SECTION 11.06. Notice of Default; Right to Investigate. The Trustee shall give written notice by first-class mail to registered Holders of a Series of Bonds of all defaults known

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SECTION 11.11. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture and all Supplemental Indentures by written resignation filed with the Secretary of the Issuer not less than sixty (60) days before the date when such resignation is to take effect. Notice of such resignation shall be sent by first-class mail to each Bondholder as its name and address appears on the Bond Register and to any Paying Agent, Registrar and Credit Facility Issuer, if any, at least sixty (60) days before the resignation is to take effect. Such resignation shall take effect on the day specified in the Trustee's notice of resignation unless a successor Trustee is previously appointed, in which event the resignation shall take effect immediately on the appointment of such successor; provided, however, that notwithstanding the foregoing, such resignation shall not take effect until a successor Trustee has been appointed. If a successor Trustee has not been appointed within ninety (90) days after the Trustee has given its notice of resignation, the Trustee may petition any court of competent jurisdiction for the appointment of a temporary successor Trustee to serve as Trustee until a successor Trustee has been duly appointed. Notice of such resignation shall also be given to any rating agency that shall then have in effect a rating on any of the Bonds.

SECTION 11.12. Removal of Trustee. The Trustee may be removed at any time by either (a) the Issuer, if no default exists under this Master Indenture or any Supplemental Indenture, or (b) an instrument or concurrent instruments in writing, executed by the Majority Holders of the aggregate principal amount of the Bonds then Outstanding and filed with the Issuer. A photographic copy of any instrument or instruments filed with the Issuer under the provisions of this paragraph, duly certified by a Responsible Officer, shall be delivered promptly by the Issuer to the Trustee and to any Paying Agent, Registrar and Credit Facility Issuer, if any.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Indenture or any Supplemental Indenture with respect to the duties and obligations of the Trustee by any court of competent jurisdiction upon the application of the Issuer or the Holders of not less than a majority of the aggregate principal amount of the Bonds then Outstanding.

SECTION 11.13. Appointment of Successor Trustee. If the Trustee or any successor Trustee resigns or is removed or dissolved, or if its property or business is taken under the control of any state or federal court or administrative body, a vacancy shall forthwith exist in the office of the Trustee, and the Issuer shall appoint a successor and shall mail notice of such appointment by first-class mail to each Bondholder as its name and address appear on the Bond Register, and to the Paying Agent, Registrar, Credit Facility Issuer, if any, and any rating agency that shall then have in effect a rating on any of the Bonds. If no appointment of a successor Trustee shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation or removal as the date when such resignation or removal was to take effect, the Holders of a majority in aggregate principal amount of all Bonds then Outstanding may appoint a successor Trustee.

SECTION 11.14. Qualification of Successor. A successor Trustee shall be a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000.

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to the Trustee, unless such defaults have been remedied (the term "defaults" for purposes of this Section and Section 11.07 being defined to include the events specified as "Events of Default" in Article X hereof, but not including any notice or periods of grace provided for therein); provided that, except in the case of a default in payment of principal or interest or Redemption Price, the Trustee may withhold such notice so long as it in good faith determines that such withholding is in the interest of the Bondholders. The Trustee shall not be deemed to have notice of any default other than a payment default under this Master Indenture and any Supplemental Indenture or a notification by a Credit Facility Issuer of a default under its Credit Facility, unless notified in writing of such default by the Majority Holders of the aggregate principal amount of the Outstanding Bonds of a Series. The Trustee may, however, at any time require of the Issuer full information as to the performance of any covenant hereunder, and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the Issuer, an investigation into the affairs of the Issuer.

SECTION 11.07. Obligation to Act on Defaults. The Trustee shall be under no obligation to take any action in respect of any default or otherwise, unless it is requested in writing to do so by the Majority Holders of the aggregate principal amount of the Outstanding Bonds which are or would be, upon the taking of such action, subject to remedial proceedings under Article X of this Master Indenture if in its opinion such action may tend to involve expense or liability, and unless it is also furnished with indemnity satisfactory to it.

SECTION 11.08. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, verifiable electronic communication, telegram, facsimile transmission, request, consent, waiver, certificate, statement, affidavit, voucher, bond, or other paper or document which it in good faith believes to be genuine and to have been passed, signed or given by the persons purporting to be authorized (which in the case of the Issuer shall be a Responsible Officer) or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture and any Supplemental Indenture; the Trustee shall be under no duty to make any investigation as to any statement contained in any such instrument, but may accept the same as conclusive evidence of the accuracy of such statement.

SECTION 11.09. Trustee May Deal in Bonds. The Trustee may in good faith buy, sell, own, hold and deal in any of the Bonds and may join in any action which any Bondholders may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture and any Supplemental Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the Issuer; provided, however, that if the Trustee determines that any such relation is in conflict with its duties under this Master Indenture and any Supplemental Indenture, it shall eliminate the conflict or resign as Trustee.

SECTION 11.10. Construction of Ambiguous Provisions. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture and any Supplemental Indenture, and except as otherwise provided in Article XIII of this Master Indenture, any construction by the Trustee shall be binding upon the Bondholders. The Trustee shall give prompt notice to the Issuer of any intention to make such construction.

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SECTION 11.15. Instruments of Succession. Subject to Section 11.16 hereof, any successor Trustee shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder and thereupon, such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. The Trustee ceasing to act hereunder, after deducting all amounts owed to the Trustee, shall pay over to the successor Trustee all moneys held by it hereunder and, upon request of the successor Trustee, the Trustee ceasing to act and the Issuer shall execute and deliver an instrument or instruments prepared by the Issuer transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the predecessor Trustee, except for its rights under Section 11.04 hereof.

SECTION 11.16. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or any corporation which shall have purchased substantially all of the bond administration business of the corporate trust department shall be the successor Trustee under this Master Indenture and all Supplemental Indentures, without the execution or filing of any paper or any further act on the part of the parties hereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 11.14 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article XI. The Trustee may not resign as the Paying Agent or the Registrar without resigning as Trustee.

SECTION 11.17. Extension of Rights and Duties of Trustee to Paying Agent and Registrar. The provisions of Sections 11.02, 11.03, 11.04, 11.08, 11.09 and 11.10 hereof are hereby made applicable to the Paying Agent and the Registrar, as appropriate, and any Person serving as Paying Agent and/or Registrar, hereby enters into and agrees to comply with the covenants and agreements of this Master Indenture and all Supplemental Indentures applicable to the Paying Agent and Registrar, respectively.

SECTION 11.18. Resignation of Paying Agent or Registrar. The Paying Agent or Registrar may resign and be discharged of the duties created by this Master Indenture and all Supplemental Indentures by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the Issuer, the Trustee, and any rating agency that shall then have in effect a rating on any of the Bonds, not less than forty-five (45) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation not less than three (3) weeks prior to such resignation date to the Bondholders, mailed to their addresses as such appear in the Bond Register. Such resignation shall take effect on the date specified in such instrument and notice, but only if a successor Paying Agent or Registrar shall have been appointed as hereinafter provided, in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Registrar. If the successor Paying Agent or Registrar shall not have been appointed within a period of ninety (90) days following the giving of notice, then the Paying Agent or Registrar shall be authorized to petition any court of competent jurisdiction to appoint a successor Paying Agent or Registrar as provided in Section 11.22 hereof.

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SECTION 11.19. Removal of Paying Agent or Registrar. The Paying Agent or Registrar may be removed at any time prior to any Event of Default by the Issuer by filing with the Paying Agent or Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by the Issuer appointing a successor, or an instrument or instruments in writing designating, and accompanied by an instrument or appointment by the Issuer of, such successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Registrar appointed hereunder shall execute, acknowledge and deliver to the Issuer an instrument accepting such appointment hereunder.

SECTION 11.20. Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Registrar, as the case may be, and a successor shall be appointed by the Issuer; and in case at any time the Paying Agent or Registrar shall resign, then a successor shall be appointed by the Issuer. After any such appointment, notice of such appointment shall be given by the Issuer to the predecessor Paying Agent or Registrar, the successor Paying Agent or Registrar, the Trustee, the Credit Facility Issuer, if any, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. Any new Paying Agent or Registrar so appointed shall immediately, and without further act, supersede the predecessor Paying Agent or Registrar.

SECTION 11.21. Qualifications of Successor Paying Agent or Registrar. Every successor Paying Agent or Registrar (a) shall be a commercial bank or trust company (i) duly organized under the laws of the United States or any state or territory thereof, (i) authorized by law to perform all the duties imposed upon it by this Master Indenture and all Supplemental Indentures and (iii) capable of meeting its obligations hereunder, and (b) shall have a combined net capital and surplus of at least \$50,000,000.

SECTION 11.22. Judicial Appointment of Successor Paying Agent or Registrar. In case at any time the Paying Agent or Registrar shall resign and no appointment of a successor Paying Agent or Registrar shall be made pursuant to the foregoing provisions of this Master Indenture prior to the date specified in the notice of resignation as the date when such resignation is to take effect, the retiring Paying Agent or Registrar may forthwith apply to a court of competent jurisdiction for the appointment of a successor Paying Agent or Registrar. Such court may thereupon, after such notice, if any, as it may deem proper and prescribe, appoint a successor Paying Agent or Registrar. Notice of such appointment shall be given by the Successor Registrar or Paying Agent to the Issuer, the Trustee, the Credit Facility Issuer, if any, any rating agency that shall then have in effect a rating on any of the Bonds, and all Bondholders. In the absence of such an appointment, the Trustee shall become the Registrar or Paying Agent, or and shall so notify the Issuer, any rating agency that shall have issued a rating on the Bonds, and all Bondholders.

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## ARTICLE XII ACTS OF BONDHOLDERS; EVIDENCE OF OWNERSHIP OF BONDS

SECTION 12.01. Acts of Bondholders; Evidence of Ownership of Bonds. Any action to be taken by Bondholders may be evidenced by one or more concurrent written instruments of similar tenor signed or executed by such Bondholders in person or by an agent appointed in writing. The fact and date of the execution by any person of any such instrument may be provided by acknowledgment before a notary public or other officer empowered to take acknowledgments or by an affidavit of a witness to such execution. Any action by the Owner of any Bond shall bind all future Owners of the same Bond in respect of anything done or suffered by the Issuer, Trustee, Paying Agent or Registrar in pursuance thereof.

[END OF ARTICLE XII]

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SECTION 11.23. Acceptance of Duties by Successor Paying Agent or Registrar. Any successor Paying Agent or Registrar shall become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Registrar herein. Upon request of such Paying Agent or Registrar, such predecessor Paying Agent or Registrar and the Issuer shall, after payment of its fees and expenses, execute and deliver an instrument transferring to such successor Paying Agent or Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Registrar except for its rights under Section 11.04 hereof and such predecessor Paying Agent or Registrar shall pay over and deliver to the successor Paying Agent or Registrar all moneys and other assets at the time held by it hereunder.

SECTION 11.24. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, or any corporation which shall have purchased substantially all of the bond administration business of the corporate trust department shall be the successor Paying Agent or Registrar under this Master Indenture and all Supplemental Indentures without the execution or filing of any paper or any further act on the part of the parties thereto, anything in this Master Indenture or any Supplemental Indenture to the contrary notwithstanding.

[END OF ARTICLE XI]

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## ARTICLE XIII AMENDMENTS AND SUPPLEMENTS

SECTION 13.01. Amendments and Supplements Without Bondholders' Consent. This Master Indenture and any Supplemental Indenture may be amended or supplemented, from time to time, without the consent of the Bondholders, by a Supplemental Indenture authorized by a Certified Resolution of the Issuer filed with the Trustee, for one or more of the following purposes:

(a) to add additional covenants of the Issuer or to surrender any right or power herein conferred upon the Issuer;

(b) for any purpose not inconsistent with the terms of the Applicable Indenture, or to cure any ambiguity or to cure, correct or supplement any defective provision (whether because of any inconsistency with any other provision hereof or otherwise) of the Applicable Indenture, in such manner as shall not impair the security hereof or thereof or adversely affect the rights and remedies of the Bondholders;

(c) to provide for the execution of any and all contracts and other documents as may be required in order to effectuate the conveyance of any Project to the State, the County, or any department, agency or branch thereof, or any other unit of government of the State, provided, however, that the Issuer shall have caused to be delivered to the Trustee an opinion of Bond Counsel stating that such conveyance shall not impair the security hereof or adversely affect the rights and remedies of the Bondholders; and

(d) to make such changes as may be necessary in order to reflect amendments to Chapters 170, 190 and 197, Florida Statutes, so long as, in the opinion of counsel to the Issuer, such changes either: (i) do not have a material adverse effect on the Holders of the Bonds; or (ii) if such changes do have an adverse effect, that they nevertheless are required to be made as a result of such amendments.

SECTION 13.02. Amendments With Bondholders' Consent. Subject to the provisions of Section 13.01 hereof, this Master Indenture and any Supplemental Indenture may be amended from time to time by a Supplemental Indenture approved by the Owners of at least a majority in aggregate principal amount of the Bonds then Outstanding in the case of the Master Indenture, and of the Series of Bonds then Outstanding and secured by such Supplemental Indenture in the case of an amendment of a Supplemental Indenture including, but not limited to, any material amendment to the Special Assessments and related proceedings which secure a Series of Bonds; provided that with respect to (a) the interest payable upon any Bonds, (b) the dates of maturity or redemption provisions of any Bonds, (c) this Article XIII and (d) the security provisions hereunder or under any Supplemental Indenture, which may only be amended by approval of the Owners of all Bonds to be so amended.

SECTION 13.03. Trustee Authorized to Join in Amendments and Supplements; Reliance on Counsel. The Trustee is authorized to join in the execution and delivery of any Supplemental Indenture or amendment permitted by this Article XIII and in so doing may rely on

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a written opinion of Counsel that such Supplemental Indenture or amendment is so permitted and has been duly authorized by the Issuer and that all things necessary to make it a valid and binding agreement have been done.

[END OF ARTICLE XIII]

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verification from a firm of independent certified public accountants stating that the principal of and interest on the Defeasance Securities, together with the stated amount of any cash remaining on deposit with the Escrow Agent, will be sufficient without reinvestment to pay the remaining principal of, redemption premium, if any, and interest on such defeased Bonds.

Money so deposited with the Escrow Agent which remains unclaimed three (3) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the knowledge of the Escrow Agent in default with respect to any covenant in the Indenture or the Bonds of the Series contained, be paid to the Issuer; and the Owners of the Bonds for which the deposit was made shall thereafter be limited to a claim against the Issuer; provided, however, that the Escrow Agent, before making payment to the Issuer, may, at the expense of the Issuer, cause a notice to be published in an Authorized Newspaper, stating that the money remaining unclaimed will be returned to the Issuer after a specified date.

[END OF ARTICLE XIV]

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#### ARTICLE XIV DEFEASANCE

SECTION 14.01. Defeasance. When interest on, and principal or Redemption Price (as the case may be) of, the Bonds of a Series or any portion thereof to be defeased have been paid, or there shall have been deposited with the Trustee or such other escrow agent designated in a Certified Resolution of the Issuer (the "Escrow Agent") moneys sufficient, or Defeasance Securities, the principal of and interest on which, when due, together with any moneys, remaining uninvested, will provide sufficient moneys to fully pay (i) such Bonds of a Series or portion thereof to be defeased, and (ii) any other sums payable hereunder by the Issuer, but only to the extent the Issuer has agreed to pay the same on or before the defeasance of the Bonds, the right, title and interest of the Trustee with respect to such Bonds of a Series or portion thereof to be defeased shall thereupon cease, the lien of the Indenture on the Pledged Revenues, and the Funds and Accounts established under the Indenture shall be defeased and discharged, and the Trustee, on demand of the Issuer, shall release the Indenture as to such Bonds of a Series or portion thereof to be so defeased and shall execute such documents to evidence such release as may be reasonably required by the Issuer and shall turn over to the Issuer or to such Person, body or authority as may be entitled to receive the same all balances remaining in any Series Funds and Accounts upon the defeasance in whole of all of the Bonds of a Series.

SECTION 14.02. Deposit of Funds for Payment of Bonds. If the Issuer deposits with the Escrow Agent moneys sufficient, or Defeasance Securities or a combination thereof, the principal of and interest on which, when due, together with any moneys remaining uninvested, will provide sufficient moneys to pay the principal or Redemption Price of any Bonds of a Series becoming due, either at maturity or by redemption or otherwise, together with all interest accruing thereon to the date of maturity or such prior redemption, and reimburses or causes to be reimbursed or pays or causes to be paid the other amounts required to be reimbursed or paid under Section 14.01 hereof, interest on such Bonds of a Series shall cease to accrue on such date of maturity or prior redemption and all liability of the Issuer with respect to such Bonds of a Series shall likewise cease, except as hereinafter provided; provided, however, that (a) if any Bonds are to be redeemed prior to the maturity thereof, notice of the redemption thereof shall have been duly given in accordance with the provisions of Section 8.02 hereof, or irrevocable provision satisfactory to the Trustee shall have been duly made for the giving of such notice, and (b) in the event that any Bonds are not by their terms subject to redemption within the next succeeding sixty (60) days following a deposit of moneys with the Escrow Agent, in accordance with this Section, the Issuer shall have given the Escrow Agent, in form satisfactory to the Escrow Agent, irrevocable instructions to mail to the Owners of such Bonds at their addresses as they appear on the Bond Register, a notice stating that a deposit in accordance with this Section has been made with the Escrow Agent and that the Bonds to which such notice relates are deemed to have been paid in accordance with this Section and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price (as the case may be) of, and interest on, said Bonds of a Series. Thereafter such Bonds shall be deemed not to be Outstanding hereunder and the Owners of such Bonds shall be restricted exclusively to the funds so deposited for any claim of whatsoever nature with respect to such Bonds, and the Escrow Agent shall hold such funds in trust for such Owners. At the time of the deposit referred to above, there shall be delivered to the Escrow Agent a

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#### ARTICLE XV MISCELLANEOUS PROVISIONS

SECTION 15.01. Limitations on Recourse. No personal recourse shall be had for any claim based on this Master Indenture or any Supplemental Indenture or the Bonds against any member of the Board of the Issuer, officer, employee or agent, past, present or future, of the Issuer or of any successor body as such, either directly or through the Issuer or any such successor body, under any constitutional provision, statute or rule of law or by the enforcement of any assessment or penalty or otherwise.

The Bonds of each Series are payable solely from the Pledged Revenues, and any other moneys held by the Trustee under the Indenture for such purpose. There shall be no other recourse under the Bonds, the Indenture or otherwise, against the Issuer or any other property now or hereafter owned by it.

SECTION 15.02. Payment Dates. In any case where an Interest Payment Date or the maturity date of the Bonds or the date fixed for the redemption of any Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

SECTION 15.03. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Bonds.

SECTION 15.04. Illegal Provisions Disregarded. If any term of Master Indenture or any Supplemental Indenture or the Bonds or the application thereof for any reason or circumstances shall to any extent be held invalid or unenforceable, the remaining provisions or the application of such terms or provisions to Persons and situations other than those as to which it is held invalid or unenforceable, shall not be affected thereby, and each remaining term and provision hereof and thereof shall be valid and enforced to the fullest extent permitted by law.

SECTION 15.05. Substitute Notice. If for any reason it shall be impossible to make duplication of any notice required hereby in a newspaper or newspapers, then such publication in lieu thereof as shall be made with the approval of the Trustee shall constitute a sufficient publication of such notice.

SECTION 15.06. Notices. Any notice, demand, direction, request or other instrument authorized or required by this Master Indenture or any Supplemental Indenture to be given to or filed with the Issuer or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Indenture or any Supplemental Indenture if and when personally delivered and receipted for, or if mailed by first class mail, addressed as follows:

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- (a) As to the Issuer -

The Verano Community Development Districts  
c/o Governmental Management Services - South Florida, LLC  
5385 N. Nob Hill Road  
Sunrise, Florida 33351  
Attention: Paul Winkeljohn

- (b) As to the Trustee -

U.S. Bank National Association  
Corporate Trust Services  
225 Water Street, Ste 700  
Jacksonville, FL 32202  
Attention: Stephanie Cox, Vice President

Any of the foregoing may, by notice sent to each of the others, designate a different or additional address to which notices under this Master Indenture or any Supplemental Indenture are to be sent.

All documents received by the Trustee under the provisions of this Master Indenture or any Supplemental Indenture and not required to be redelivered shall be retained in its possession, subject at all reasonable times to the inspection of the Issuer, any Consultant, any Bondholder and the agents and representatives thereof as evidence in writing.

SECTION 15.07. Controlling Law. This Master Indenture and all Supplemental Indentures shall be governed by and construed in accordance with the laws of the State.

SECTION 15.08. Successors and Assigns. All the covenants, promises and agreements in this Master Indenture and all Supplemental Indentures contained by or on behalf of the Issuer or by or on behalf of the Trustee shall bind and inure to the benefit of their respective successors and assigns, whether so expressed or not.

SECTION 15.09. Headings for Convenience Only. The table of contents and descriptive headings in this Master Indenture are inserted for convenience only and shall not control or affect the meaning or construction of any of the provisions hereof.

SECTION 15.10. Counterparts. This Master Indenture and any Supplemental Indentures may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

SECTION 15.11. Appendices and Exhibits. Any and all appendices or exhibits referred to in and attached to this Master Indenture are hereby incorporated herein and made a part hereof for all purposes.

SECTION 15.12. Designation of Issuer and Administration District. The Trustee may conclusively rely on the terms of a Certified Resolution as to the identity of the Issuer and Administration District for a Series of Bonds.

SECTION 15.13. Brokerage Confirmations. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.


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IN WITNESS WHEREOF, The Verano Community Development Districts identified below have caused this Master Indenture to be executed by the respective Vice Chairman of their Boards and their respective corporate seals to be hereunto affixed, attested by the Secretary or Assistant Secretary of their Boards and U.S. Bank National Association has caused this Master Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

**VERANO CENTER COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Chairman, Board of Supervisors

By:   
Name: Paul Winkeljohn  
Title: Assistant Secretary, Board of Supervisors

**VERANO #1 COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Vice Chairman, Board of


Supervisors  
By:   
Name: Paul Winkeljohn  
Title: Assistant Assistant Secretary, Board of Supervisors


**VERANO #2 COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Vice Chairman, Board of


Supervisors  
By:   
Name: Paul Winkeljohn  
Title: Assistant Assistant Secretary, Board of Supervisors


**VERANO #3 COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Chairman, Board of Supervisors

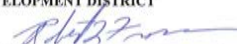
By:   
Name: Paul Winkeljohn  
Title: Assistant Secretary, Board of Supervisors

**VERANO #4 COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Chairman, Board of Supervisors

By:   
Name: Paul Winkeljohn  
Title: Assistant Secretary, Board of Supervisors

**VERANO #5 COMMUNITY  
DEVELOPMENT DISTRICT**

By:   
Name: Robert L. Fromm  
Title: Vice Chairman, Board of Supervisors

By:   
Name: Paul Winkeljohn  
Title: Assistant Secretary, Board of Supervisors

U.S. BANK NATIONAL ASSOCIATION, as  
Trustee, Paying Agent and Registrar

By:   
Name: Stephanie Cox  
Title: Vice President

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STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano Center Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano Center Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano Center Community Development District; and that the seal affixed to said instrument is the seal of the Verano Center Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA



Michelle Sanchez  
(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FLDL  
(Type of Identification Produced)

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STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano #2 Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano #2 Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano #2 Community Development District; and that the seal affixed to said instrument is the seal of the Verano #2 Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

Michelle Sanchez  
(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FLDL  
(Type of Identification Produced)

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STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano #1 Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano #1 Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano #1 Community Development District; and that the seal affixed to said instrument is the seal of the Verano #1 Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA



Michelle Sanchez  
(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FLDL  
(Type of Identification Produced)

81

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano #3 Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano #3 Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano #3 Community Development District; and that the seal affixed to said instrument is the seal of the Verano #3 Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

Michelle Sanchez  
(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FLDL  
(Type of Identification Produced)

83



STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano #4 Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano #4 Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano #4 Community Development District; and that the seal affixed to said instrument is the seal of the Verano #4 Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

Michelle Sanchez

(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FL DL

(Type of Identification Produced)

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STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

On this 29 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Robert L. Fromm and Paul Winkeljohn, Vice Chairman and Assistant Secretary, respectively, of the Board of Supervisors of the Verano #5 Community Development District, who acknowledged that they did sign the foregoing instrument as such officers, respectively, for and on behalf of the Verano #5 Community Development District; that the same is their free act and deed as such officers, respectively, and the free act and deed of the Verano #5 Community Development District; and that the seal affixed to said instrument is the seal of the Verano #5 Community Development District.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

NOTARY PUBLIC, STATE OF FLORIDA

Michelle Sanchez

(Name of Notary Public, Print, Stamp or Type as Commissioned)

☐ Personally known to me, or  
☒ Produced identification:

FL DL

(Type of Identification Produced)



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STATE OF GEORGIA )  
 ) SS:  
COUNTY OF FULTON )

On this 28 day of June, 2015, before me, a notary public in and for the State and County aforesaid, personally appeared Stephanie Cox, a Vice President of U.S. Bank National Association, as Trustee, who acknowledged that she did sign said instrument as such officer for and on behalf of said association; and that the same is her free act and deed as such officer and the free act and deed of said association.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal the day and year in this certificate first above written.

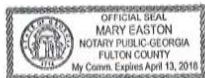
NOTARY PUBLIC, STATE OF GEORGIA

Mary Easton

(Name of Notary Public, Print, Stamp or Type as Commissioned)

☒ Personally known to me, or  
☐ Produced identification:

(Type of Identification Produced)



86

#### EXHIBIT A

#### LEGAL DESCRIPTION OF THE VERANO CENTER COMMUNITY DEVELOPMENT DISTRICTS

The present boundaries of each of the Verano Center Community Development Districts are as follows:





# EXHIBIT "A2" REVISED

(DESCRIPTION CONTINUED FROM SHEET 2 OF 6)

DISTANCE OF 913.19 FEET; THENCE NORTH 68°01'19" EAST, A DISTANCE OF 698.53 FEET; THENCE NORTH 66°21'27" EAST, A DISTANCE OF 96.04 FEET; THENCE NORTH 60°53'18" EAST, A DISTANCE OF 57.02 FEET; THENCE NORTH 52°35'12" EAST, A DISTANCE OF 61.17 FEET; THENCE NORTH 49°40'37" EAST, A DISTANCE OF 55.84 FEET; THENCE NORTH 43°58'20" WEST, A DISTANCE OF 22.09 FEET TO THE POINT OF BEGINNING.

CONTAINING OR 881.638 ACRES, MORE OR LESS.

SUBJECT TO EASEMENTS, RESTRICTIONS AND RIGHTS-OF-WAY OF RECORD.

BEARINGS SHOWN HEREON ARE BASED THE NORTHEASTERLY LINE OF SAID VERANO MASTER PLAT, SAID LINE BEARING SOUTH 43°09'38" EAST AND ALL OTHER BEARINGS BEING RELATIVE THERETO.

## LEGEND:

- C — CENTERLINE
- A — CENTRAL ANGLE
- I/E — INGRESS/EGRESS
- L — ARC LENGTH
- O.R.B. — OFFICIAL RECORDS BOOK
- P.G.S. — PAGES
- PI — POINT OF INTERSECTION
- P.O.B. — POINT OF BEGINNING
- R — RADIUS
- RGE. — RANGE
- R/W — RIGHT-OF-WAY
- SEC. — SECTION
- S.F.W.M.D. — SOUTH FLORIDA WATER MANAGEMENT DISTRICT
- TWP. — TOWNSHIP
- 32 33 — SECTION CORNER
- 5 4



PROJECT MANAGER WFO	DEPARTMENT MANAGER WFO	SCALE 1"=100'	CHECKED BY WFO
SHEET TITLE SKETCH OF DESCRIPTION VERANO CDD 2	DATE 02-16-15	PROJECT NUMBER PL883055	DRAWING NUMBER PL888-8012
SHEET 3 OF 6			

## LEGAL DESCRIPTION CDD- J (REVISED NOVEMBER 16, 2004)

A PARCEL OF LAND LYING IN SECTION 31, 32, 33 AND 34 TOWNSHIP 36 SOUTH, RANGE 39 EAST AND SECTION 4, 5 AND 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO. "FORT PIERCE CUT-OFF" TRACK AS SHOWN ON PAGES V. 30/6 AND V. 30/7, DATED FEBRUARY 1, 1950 WITH TRACT CORRECT REVISION DATED 4/28/57 WITH THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL C-24; THENCE SOUTH 43°08'36" EAST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL C-24 A DISTANCE OF 11569.40 FEET; TO THE POINT OF BEGINNING; THENCE NORTH 89°08'55" WEST 318.77 FEET; THENCE SOUTH 60°24'34" WEST 793.61 FEET; THENCE SOUTH 65°03'54" WEST 762.00 FEET; THENCE SOUTH 70°42'50" WEST 440.51 FEET; THENCE NORTH 43°58'18" WEST 1282.89 FEET; THENCE SOUTH 51°18'24" WEST 950.05 FEET; THENCE SOUTH 45°15'16" WEST 400.02 FEET; THENCE SOUTH 38°44'47" WEST 1333.66 FEET; THENCE SOUTH 74°00'26" WEST 1267.69 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING RUN THENCE NORTH 15°59'34" WEST 340.09 FEET; THENCE NORTH 03°34'38" WEST 256.22 FEET; TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE WESTERLY; THENCE NORTHERLY ALONG SAID CURVE WITH A RADIUS OF 874.32 FEET THROUGH A CENTRAL ANGLE OF 27°52'38" FOR AN ARC DISTANCE OF 474.05 FEET; TO A POINT OF REVERSE CURVE, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE NORTHERLY ALONG SAID CURVE WITH A RADIUS OF 992.51 FEET THROUGH A CENTRAL ANGLE OF 16°22'57" FOR AN ARC DISTANCE OF 283.79 FEET; THENCE NORTH 25°14'52" WEST 1523.53 FEET; THENCE NORTH 70°23'46" WEST 986.34 FEET; THENCE SOUTH 54°09'26" WEST 2220.61 FEET; THENCE NORTH 82°23'29" WEST 321.69 FEET; THENCE NORTH 77°44'13" WEST 668.04 FEET; THENCE SOUTH 58°38'56" WEST 744.18 FEET; THENCE NORTH 66°02'16" WEST 440.70 FEET; THENCE NORTH 50°00'38" WEST 318.16 FEET; THENCE SOUTH 88°01'12" WEST 380.17 FEET; THENCE NORTH 01°54'14" EAST 2249.79 FEET TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 470.00 FEET THROUGH A CENTRAL ANGLE OF 08°38'50" FOR AN ARC DISTANCE OF 78.86 FEET; THENCE SOUTH 11°31'03" EAST 264.84 FEET TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 500.00 FEET THROUGH A CENTRAL ANGLE OF 10°23'23" FOR AN ARC DISTANCE OF 143.54 FEET; THENCE SOUTH 21°54'27" EAST 95.17 FEET; TO A POINT OF CURVE TO THE RIGHT, SAID CURVE BEING CONCAVE TO THE WESTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 1065.00 FEET THROUGH A CENTRAL ANGLE OF 07°43'21" FOR AN ARC DISTANCE OF 143.54 FEET; THENCE SOUTH 00°05'49" WEST 211.08 FEET; THENCE SOUTH 88°58'45" EAST 831.91 FEET; THENCE NORTH 74°05'51" EAST 4614.88 FEET; THENCE NORTH 74°35'02" WEST 625.45 FEET; THENCE NORTH 34°54'59" EAST 5.17 FEET TO THE POINT OF BEGINNING, CONTAINING 420.55 ACRES, MORE OR LESS.

## BEARING BASE:

THE NORTHERLY RIGHT-OF-WAY LINE OF CANAL C-24 IS TAKEN TO BEAR N43° 08'36" E AND ALL OTHER BEARINGS SHOWN HEREON ARE RELATIVE THERETO.

SURVEYOR AND MAPPER'S SIGNATURE

1. UNLESS IT BEARS THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS MAP/REPORT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.
2. NO CHARGE OF THE PUBLIC RECORDS HAS BEEN MADE BY THIS OFFICE.

LELAND L. BURTON, PROFESSIONAL SURVEYOR & MAPPER  
STATE OF FLORIDA NO. 3460

REVISED NAME 1-21-05  
REVISED NOVEMBER 16, 2004

SKETCH AND DESCRIPTION FOR:  
MONTAGE RESERVE PARCEL CDD-3

THIS IS NOT A SURVEY (SUBJECT TO FIELD SURVEY)

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Computed: NAB	Date	FILE NO	Project No.		
Checked: LLB	11/16/04	03-008200-CHTR LBFI INC	03-0082		

## LEGAL DESCRIPTION CDD-4 (REVISED NOVEMBER 16, 2004)

A PARCEL OF LAND LYING IN SECTIONS 29, 31 AND 32 TOWNSHIP 36 SOUTH, RANGE 39 EAST AND SECTIONS 5 AND 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO. "FORT PIERCE CUT-OFF" TRACK AS SHOWN ON PAGES V. 30/6 AND V. 30/7, DATED FEBRUARY 1, 1950 WITH TRACT CORRECT REVISION DATED 4/28/57 AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL C-24; THENCE RUN SOUTH 44°46'01" WEST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY COMPANY, A DISTANCE OF 1961.48 FEET TO THE POINT OF BEGINNING.

FROM SAID POINT OF BEGINNING CONTINUE SOUTH 44°46'01" WEST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO., A DISTANCE OF 3207.94 FEET TO THE WESTERLY BOUNDARY OF SAID SECTION 29; THENCE SOUTH 04°13'20" EAST ALONG SAID WESTERLY BOUNDARY 256.80 FEET TO THE NORTHERLY BOUNDARY OF SAID SECTION 31; THENCE SOUTH 89°40'25" WEST ALONG SAID NORTHERLY BOUNDARY 312.03 FEET TO SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY COMPANY; THENCE RUN SOUTH 44°46'01" WEST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY COMPANY, A DISTANCE OF 1298.44 FEET; THENCE SOUTH 01°54'14" EAST 4207.02 FEET; THENCE NORTH 88°01'12" EAST 380.17 FEET; THENCE SOUTH 60°24'34" EAST 793.61 FEET; THENCE SOUTH 65°03'54" EAST 762.00 FEET; THENCE SOUTH 70°42'50" EAST 440.51 FEET; THENCE NORTH 43°58'18" WEST 1282.89 FEET; THENCE SOUTH 51°18'24" WEST 950.05 FEET; THENCE SOUTH 45°15'16" WEST 400.02 FEET; THENCE SOUTH 38°44'47" WEST 1333.66 FEET; THENCE SOUTH 74°00'26" WEST 1267.69 FEET TO THE POINT OF BEGINNING; FROM SAID POINT OF BEGINNING RUN THENCE NORTH 15°59'34" WEST 340.09 FEET; THENCE NORTH 03°34'38" WEST 256.22 FEET; TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE WESTERLY; THENCE NORTHERLY ALONG SAID CURVE WITH A RADIUS OF 874.32 FEET THROUGH A CENTRAL ANGLE OF 27°52'38" FOR AN ARC DISTANCE OF 474.05 FEET; TO A POINT OF REVERSE CURVE, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE NORTHERLY ALONG SAID CURVE WITH A RADIUS OF 992.51 FEET THROUGH A CENTRAL ANGLE OF 16°22'57" FOR AN ARC DISTANCE OF 283.79 FEET; THENCE NORTH 25°14'52" WEST 1523.53 FEET; THENCE NORTH 70°23'46" WEST 986.34 FEET; THENCE SOUTH 54°09'26" WEST 2220.61 FEET; THENCE NORTH 82°23'29" WEST 321.69 FEET; THENCE NORTH 77°44'13" WEST 668.04 FEET; THENCE SOUTH 58°38'56" WEST 744.18 FEET; THENCE NORTH 66°02'16" WEST 440.70 FEET; THENCE NORTH 50°00'38" WEST 318.16 FEET; THENCE SOUTH 88°01'12" WEST 380.17 FEET; THENCE NORTH 01°54'14" EAST 2249.79 FEET TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 470.00 FEET THROUGH A CENTRAL ANGLE OF 08°38'50" FOR AN ARC DISTANCE OF 78.86 FEET; THENCE SOUTH 11°31'03" EAST 264.84 FEET TO A POINT OF CURVE TO THE LEFT, SAID CURVE BEING CONCAVE TO THE EASTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 500.00 FEET THROUGH A CENTRAL ANGLE OF 10°23'23" FOR AN ARC DISTANCE OF 143.54 FEET; THENCE SOUTH 21°54'27" EAST 95.17 FEET; TO A POINT OF CURVE TO THE RIGHT, SAID CURVE BEING CONCAVE TO THE WESTERLY; THENCE SOUTHERLY ALONG SAID CURVE WITH A RADIUS OF 1065.00 FEET THROUGH A CENTRAL ANGLE OF 07°43'21" FOR AN ARC DISTANCE OF 143.54 FEET; THENCE SOUTH 00°05'49" WEST 211.08 FEET; THENCE SOUTH 88°58'45" EAST 831.91 FEET; THENCE NORTH 74°05'51" EAST 4614.88 FEET; THENCE NORTH 74°35'02" WEST 625.45 FEET; THENCE NORTH 34°54'59" EAST 5.17 FEET TO THE POINT OF BEGINNING, CONTAINING 726.83 ACRES, MORE OR LESS.

## BEARING BASE:

THE NORTHERLY RIGHT-OF-WAY LINE OF CANAL C-24 IS TAKEN TO BEAR N43° 08'36" E AND ALL OTHER BEARINGS SHOWN HEREON ARE RELATIVE THERETO.

SURVEYOR AND MAPPER'S SIGNATURE

1. UNLESS IT BEARS THE SIGNATURE AND ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER, THIS MAP/REPORT IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.
2. NO CHARGE OF THE PUBLIC RECORDS HAS BEEN MADE BY THIS OFFICE.

LELAND L. BURTON, PROFESSIONAL SURVEYOR & MAPPER  
STATE OF FLORIDA NO. 3460

SKETCH AND DESCRIPTION FOR:  
MONTAGE RESERVE PARCEL CDD-4

REVISED NAME 1-21-05

REVISED NOVEMBER 16, 2004

THIS IS NOT A SURVEY (SUBJECT TO FIELD SURVEY)

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Computed: NAB	Date	FILE NO	Project No.		
Checked: LLB	11/16/04	03-008200-CHTR LBFI INC	03-0082		

## LEGAL DESCRIPTION, CDD-5 (REVISED NOVEMBER 16, 2004)

A PARCEL OF LAND LYING IN SECTION 31, TOWNSHIP 36 SOUTH RANGE 39 EAST, AND SECTION 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE INTERSECTION OF THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO. "FORT PIERCE CUT-OFF" TRACK AS SHOWN ON PAGES V. 30/6 AND V. 30/7, DATED FEBRUARY 1, 1950 WITH TRACT CORRECT REVISION DATED 4/28/57 AND THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL C-24; THENCE RUN SOUTH 44°46'01" WEST ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO., A DISTANCE OF 5069.40 FEET TO THE WEST LINE OF SECTION 29, SAID TOWNSHIP 36 SOUTH, RANGE 39 EAST; THENCE SOUTH 04°13'20" EAST, ALONG SAID WEST LINE, A DISTANCE OF 256.80 FEET TO THE NORTHEAST CORNER OF SAID SECTION 31; THENCE SOUTH 89°40'25" WEST, ALONG THE NORTH LINE OF SAID SECTION 31, A DISTANCE OF 312.03 FEET TO SAID SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY CO.; THENCE SOUTH 44°46'01" WEST, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 1298.44 FEET TO THE POINT OF BEGINNING.

FROM SAID POINT OF BEGINNING CONTINUE SOUTH 44°46'01" WEST, ALONG SAID RIGHT-OF-WAY LINE, A DISTANCE OF 6124.13 FEET TO THE INTERSECTION OF SAID CANAL C-24 AS SHOWN ON THE FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP DATED 11/3/64 AND REVISED JANUARY 1985; THENCE SOUTH 00°08'55" EAST ALONG SAID RIGHT-OF-WAY LINE 156.89 FEET; THENCE SOUTH 00°01'15" EAST ALONG SAID RIGHT-OF-WAY LINE 2905.07 FEET; THENCE SOUTH 82°58'45" EAST 4671.04 FEET; THENCE NORTH 00°05'49" EAST, A DISTANCE OF 211.06 FEET TO THE POINT OF CURVATURE OF A CURVE CONCAVE TO THE WEST, HAVING A RADIUS OF 1065.00 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 07°43'21", AN ARC DISTANCE OF 143.54 FEET; THENCE SOUTH 00°05'49" WEST, A DISTANCE OF 211.08 FEET; THENCE SOUTH 88°58'45" EAST 831.91 FEET; THENCE NORTH 74°05'51" EAST 4614.88 FEET; THENCE NORTH 74°35'02" WEST 625.45 FEET; THENCE NORTH 34°54'59" EAST 5.17 FEET TO THE POINT OF BEGINNING, CONTAINING 539.00 ACRES MORE OR LESS.

## BEARING BASE:

THE NORTHERLY RIGHT-OF-WAY LINE OF CANAL C-24 IS TAKEN TO BEAR N43° 08'36" E AND ALL OTHER BEARINGS SHOWN HEREON ARE RELATIVE THERETO.

REVISED NAME 1-21-05

REVISED NOVEMBER 16, 2004

THIS IS NOT A SURVEY (SUBJECT TO FIELD SURVEY)

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SURVEYOR AND MAPPER'S SIGNATURE

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2. NO CHARGE OF THE PUBLIC RECORDS HAS BEEN MADE BY THIS OFFICE.

LELAND L. BURTON, PROFESSIONAL SURVEYOR & MAPPER  
STATE OF FLORIDA NO. 3460

PROJECT NAME:  
SKETCH AND DESCRIPTION FOR:

MONTAGE RESERVE PARCEL CDD-5

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Computed: NAB	Date	FILE NO	Project No.		
Checked: LLB	11/16/04	03-008200-CHTR LBFI INC	03-0082		

**EXHIBIT B**

**MASTER ENGINEER'S REPORT**

[INTENTIONALLY OMITTED]

B-1

**EXHIBIT C**

[FORM OF BOND]

R- \_\_\_\_\_ S- \_\_\_\_\_  
**UNITED STATES OF AMERICA**  
**STATE OF FLORIDA**  
**ST. LUCIE COUNTY**  
**CITY OF PORT ST. LUCIE**  
**THE VERANO \_\_\_\_\_ COMMUNITY DEVELOPMENT DISTRICTS**  
**SPECIAL ASSESSMENT BOND,**  
**SERIES 20 \_\_\_\_**

**Interest Rate      Maturity Date      Date of Original Issuance      CUSIP**

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that The Verano \_\_\_\_\_ Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof (except while the herein described Bonds are in book-entry only form), at the corporate trust office of U.S. Bank National Association, in Jacksonville, Florida, as paying agent (said U.S. Bank National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent"), the Principal Amount set forth above with interest thereon at the Interest Rate per annum set forth above, computed on 360-day year of 30-day months, payable on the first day of November of each year. Principal of this Bond is payable at the corporate trust office of U.S. Bank National Association, located in Jacksonville, Florida, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed on each Interest Payment Date to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as Registrar (said U.S. Bank National Association and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of a Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to \_\_\_\_\_, 201\_, in which case from \_\_\_\_\_, 201\_, or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner

on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below).

THE BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, THE CITY OF PORT ST. LUCIE, FLORIDA, ST. LUCIE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE BONDS. THE BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE CITY OF PORT ST. LUCIE, FLORIDA, ST. LUCIE COUNTY, FLORIDA, THE STATE OF FLORIDA, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by execution of the Trustee, of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, The Verano \_\_\_\_\_ Community Development District has caused this Bond to be signed by the facsimile signature of the Chairman of its Board of Supervisors and a facsimile of its seal imprinted hereon, and attested by the facsimile signature of the Secretary of its Board of Supervisors, all as of the date hereof.

THE VERANO \_\_\_\_\_ COMMUNITY  
DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Vice Chairman, Board of Supervisors

(SEAL)

Attest:

By: \_\_\_\_\_  
Assistant Secretary, Board of Supervisors

C-1

A-26

C-2

**CERTIFICATE OF AUTHENTICATION**

[Back of Bond]

This Bond is one of the Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: \_\_\_\_\_

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

By: \_\_\_\_\_  
Authorized Signatory

This Bond is one of an authorized issue of Bonds of the Verano \_\_\_\_\_ Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the "Act"), and Ordinance No. 05-\_\_\_\_ enacted by the City Commission of the City of Port St. Lucie, Florida on April 28, 2005, as amended, designated as "Verano \_\_\_\_\_ Community Development District Special Assessment Bonds, Series \_\_\_\_\_" (the "Bonds"), in the aggregate principal amount of \_\_\_\_\_ Dollars (\$ \_\_\_\_\_) of like date, tenor and effect, except as to number. The Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay a portion of the design, acquisition, construction and certain ongoing operations and maintenance costs of certain public infrastructure improvements consisting of a drainage system, including, but not limited to, offsite improvements and earth work; water distribution and wastewater collection facilities; roadway improvements including, but not limited to, offsite improvements, signage and striping; and related incidental costs. The Bonds shall be issued as fully registered Bonds in authorized denominations, as set forth in the Indenture. The Bonds are issued under and secured by a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2015, (the "Master Indenture"), as amended and supplemented by a \_\_\_\_\_ Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2015 (the "\_\_\_\_\_ Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the corporate trust office of the Trustee in Jacksonville, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Bonds issued under the Indenture, the operation and application of the Debt Service Fund and other Funds and Accounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of, premium, if any, and the interest on the Bonds, the levy and the evidencing and certifying for collection, of Special Assessments, the nature and extent of the security for the Bonds, the terms and conditions on which the Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of Bonds, the conditions under which such Indenture may be amended with the consent of the registered owners of a majority in aggregate principal amount of the Bonds outstanding, and as to other rights and remedies of the registered owners of the Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, St. Lucie County, Florida, the State of Florida or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the City of Port St. Lucie, St. Lucie County, Florida,

C-3

C-4

the State of Florida or any other political subdivision thereof, for the payment of the principal of, premium, if any, and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the owner hereof assents to all the provisions of the Indenture.

This Bond is payable from and secured by Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Special Assessments to secure and pay the Bonds.

The Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Bonds shall be made on the dates specified below. Upon any redemption of Bonds other than in accordance with scheduled Sinking Fund Installments, the Issuer shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to amortize the Outstanding principal amount of Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Bonds. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

**Optional Redemption**

The Bonds are subject to redemption at the option of the Issuer in whole or in part at any time on or after \_\_\_\_\_ 1, \_\_\_\_\_, at the redemption prices (expressed as percentages of principal amount to be redeemed) set forth below, plus accrued interest to the redemption date, upon notice from the Issuer to the Trustee as set forth in the Indenture.

<b><u>Redemption Period (Both Dates Inclusive)</u></b>	<b><u>Redemption Price</u></b>
_____ 1, _____ to _____ 31, _____	_____ %
_____ 1, _____ to _____ 31, _____	
_____ 1, _____ and thereafter	

**Mandatory Sinking Fund Redemption**

The Bonds are subject to mandatory sinking fund redemption on May 1 in the years and in the principal amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as

specified by the Issuer by the principal amount of any Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

<b><u>Year</u></b>	<b><u>Principal Amount of Bonds to be Paid</u></b>	<b><u>Year</u></b>	<b><u>Principal Amount of Bonds to be Paid</u></b>
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**Extraordinary Mandatory Redemption in Whole or in Part**

The Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole, on any date, or in part, on any interest payment date (except as otherwise provided in a Supplemental Indenture), at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Bonds to be redeemed, plus interest accrued to the redemption date, (i) from moneys deposited into the Bond Redemption Fund following the payment of Special Assessments on any portion of the District Lands in accordance with the provisions of the Section 9.08 of the Indenture; (ii) when sufficient moneys are on deposit in the related Funds and Accounts (other than the Rebate Fund and any other excluded fund or account as provided in the Supplemental Indenture) to pay and redeem all Outstanding Bonds and accrued interest thereon to the redemption date in addition to all amounts owed to Persons under the Indenture; (iii) if made applicable in a Supplemental Indenture, from moneys in excess of the Debt Service Reserve Requirement in the Debt Service Reserve Fund transferred to the Bond Redemption Fund pursuant to the Indenture; (iv) from excess moneys transferred from the Revenue Fund to the Bond Redemption Fund in accordance with the Indenture; [(v) from moneys, if any, on deposit in the Bond Redemption Fund following condemnation or the sale of any portion of the District Lands benefited by the Project to a governmental entity under threat of condemnation by such governmental entity or the damage or destruction of all or substantially all of the Project when such moneys are not to be used pursuant to the Indenture to repair, replace or restore the Project; provided, however, that at least forty-five (45) days prior to such extraordinary mandatory redemption, the Issuer shall cause to be delivered to the Trustee (x) notice setting forth the redemption date and (y) a certificate of the Consulting Engineer confirming that the repair and restoration of the Project would not be economical or would be impracticable;] or (vi) either prior to the Completion Date or after the Completion Date, as the case may be, from amounts transferred to the Series Account of the Bond Redemption Fund from the Series Account of the Acquisition and Construction Fund in accordance with the Indenture.

**Notice of Redemption**

The Trustee shall cause notice of redemption to be mailed at least thirty but not more than sixty days prior to the date of redemption to all registered owners of Bonds to be redeemed (as such owners appear on the books of the Registrar on the fifth (5th) day prior to such mailing) and

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to certain additional parties as set forth in the Indenture; provided, however, that failure to mail any such notice or any defect in the notice or the mailing thereof shall not affect the validity of the redemption of the Bonds for which such notice was duly mailed in accordance with the Indenture. If less than all of the Bonds shall be called for redemption, the notice of redemption shall specify the Bonds to be redeemed. On the redemption date, the Bonds called for redemption will be payable at the corporate trust office of the Paying Agent and on such date interest shall cease to accrue, such Bonds shall cease to be entitled to any benefit under the Indenture and such Bonds shall not be deemed to be outstanding under the provisions of the Indenture and the registered owners of such Bonds shall have no rights in respect thereof except to receive payment of the redemption price thereof. If the amount of funds so deposited with the Trustee, or otherwise available, is insufficient to pay the redemption price and interest on all Bonds so called for redemption on such date, the Trustee shall redeem and pay on such date an amount of such Bonds for which such funds are sufficient, selecting the Bonds to be redeemed by lot from among all such Bonds called for redemption on such date, and interest on any Bonds not paid shall continue to accrue, as provided in the Indenture.

*Partial Redemption of Bonds.* If less than all the Bonds of a maturity are to be redeemed, the Trustee shall select the particular Bonds or portions of Bonds to be redeemed by lot in such reasonable manner as the Trustee in its discretion may determine. In the case of any partial redemption of Bonds pursuant to an optional redemption, such redemption shall be effectuated by redeeming Bonds of such maturities in such manner as shall be specified by the Issuer in writing, subject to the provisions of the Indenture. In the case of any partial redemption of Bonds pursuant to an extraordinary mandatory redemption, such redemption shall be effectuated by redeeming Bonds pro rata among the maturities, treating each date on which a Sinking Fund Installment is due as a separate maturity for such purpose, with the portion to be redeemed from each maturity being equal to the product of the aggregate principal amount of Bonds to be redeemed multiplied times a fraction the numerator of which is the principal amount of Bonds of such maturity outstanding immediately prior to the redemption date and the denominator of which is the aggregate principal amount of all Bonds outstanding immediately prior to the redemption date.

The Issuer shall keep books for the registration of the Bonds at the corporate trust office of the Registrar in Jacksonville, Florida. Subject to the restrictions contained in the Indenture, the Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds. Neither the Issuer nor the

Registrar on behalf of the Issuer shall be required (i) to issue transfer or exchange any Bond during a period beginning at the opening of business fifteen (15) days before the day of mailing of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of such mailing, or (ii) to transfer or exchange any Bond so selected for redemption in whole or in part.

The Issuer, the Trustee, the Paying Agent and the Registrar shall deem and treat the person in whose name any Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the Issuer, the Trustee, the Paying Agent or the Registrar) for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest on such Bond as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

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STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Nineteenth Judicial Circuit of Florida, in and for St. Lucie County, Florida, rendered on the \_\_\_\_ day of \_\_\_\_\_, 2015.

\_\_\_\_\_  
Vice Chairman, Board of Supervisors

\_\_\_\_\_  
Secretary

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with rights of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT - \_\_\_\_\_ Custodian  
(Cust) (Minor)

Under Uniform Transfer to Minors

Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

(please print or typewrite name and address of assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Signature Guarantee:

**NOTICE:** Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company

**NOTICE:** The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

Please insert social security or other identifying number of Assignee.

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The undersigned hereby further certifies that there has not been filed with or served upon the Issuer notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Attached hereto are originals or copies of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

VERANO COMMUNITY DEVELOPMENT  
DISTRICT

By: \_\_\_\_\_  
Responsible Officer

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**EXHIBIT D**  
**FORM OF REQUISITION**

VERANO COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 20\_\_

The undersigned, a Responsible Officer of the Verano Community Development Districts (the "Issuer") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the Issuer to U.S. Bank National Association, as trustee (the "Trustee"), dated as of \_\_\_\_\_ 1, 2015, as supplemented by that certain Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2015 (the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (1) Requisition Number:
- (2) Name of Payee pursuant to Acquisition Agreement:
- (3) Amount Payable:
- (4) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable):
- (5) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that:

1. ☐ obligations in the stated amount set forth above have been incurred by the Issuer,
- or
- ☐ this requisition is for Costs of Issuance payable from the Acquisition and Construction Fund that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Acquisition and Construction Fund;
3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Project;
4. each disbursement represents a Cost of the Project which has not previously been paid.

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CONSULTING ENGINEER'S APPROVAL FOR NON-COST OF ISSUANCE  
REQUESTS ONLY

If this requisition is for a disbursement from other than costs of issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the applicable Series Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof.

WPB/383439586v7/086787.010200

\_\_\_\_\_  
Consulting Engineer

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Dated as of March 1, 2023

Authorizing and Securing  
\$

VERANO #4 COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(ASTOR CREEK PHASE ONE ASSESSMENT AREA)

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THIS ELEVENTH SUPPLEMENTAL TRUST INDENTURE (the "Eleventh Supplemental Indenture"), dated as of March 1, 2023 between the VERANO #4 COMMUNITY DEVELOPMENT DISTRICT (together with its successors and assigns, the "Issuer" or "District #4"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (said national banking association and any bank or trust company becoming successor trustee under this Eleventh Supplemental Indenture being hereinafter referred to as the "Trustee");

**WITNESSETH:**

WHEREAS, the Issuer is a local unit of special purpose government of the State of Florida, created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 05-21 of the City Council of the City of Port St. Lucie, Florida (the "City"), enacted on April 25, 2005, as amended by Ordinance No. 06-11 of the City Council of the City, enacted on February 13, 2006, which changed the name of the Issuer and by Ordinance No. 21-49 of the City Council of the City, enacted on June 14, 2021, which amended the boundaries of the Issuer, for the purpose, among other things, of financing and managing the acquisition, construction, maintenance, and operation of public infrastructure improvements authorized by the Act; and

WHEREAS, the Issuer is contiguous, or in close proximity to the other Districts (as herein defined) and pursuant to the Interlocal Agreement (as herein defined), determined to each enter into that certain Master Indenture dated as of June 1, 2015 from the Districts to the Trustee (herein, the "Master Indenture") and from time to time, each and any of the Districts to act as an issuer of one or more Series of Bonds to finance Public Infrastructure (as defined in the Master Indenture) within and without the geographical boundaries of the Issuer; it being understood that in connection with a Series of Bonds only the Issuer and the Administration District (hereinafter defined) will have any obligations or duties in connection with such Series; and

WHEREAS, the premises currently governed by the Districts, as further described in Exhibit A attached to the Master Indenture (the "District Lands") currently consist in total of approximately 3,062 acres of land located entirely within the incorporated area of the City of Port St. Lucie, Florida (the "City"); and

WHEREAS, the Issuer, along with the other Districts when acting as an Issuer, has determined to undertake, in one or more stages, the acquisition and construction of certain Public Infrastructure pursuant to the Act for the special benefit of the District Lands (as further described in the Master Engineer's Report, as herein defined) (the "Total Project"); and

WHEREAS, the Issuer proposes to finance the cost of acquisition and construction of a portion of the Total Project, by the issuance of the herein defined Series 2023 Bonds as described in the Master Engineer's Report, as supplemented and issued pursuant to the Master Indenture and this Eleventh Supplemental Indenture; and

WHEREAS, the Issuer, along with the other Districts, have previously adopted Joint Resolution No. 2015-08 on April 9, 2015, authorizing the issuance of not to exceed \$469,400,000

in aggregate principal amount of its special assessment bonds, in one or more series (the “Bonds”) to finance all or a portion of the Total Project for the special benefit of the District Lands or portions thereof; and

WHEREAS, except as provided in the next succeeding recital, Verano Development, LLC, a Florida limited liability company, is the master developer of a residential community to be located within the Districts and will construct certain Public Infrastructure necessary to serve the residential community located in the Districts, a portion of which will be purchased by the Issuer with a portion of the proceeds of the Series 2023 Bonds (such public infrastructure, as described on Exhibit A, being financed with the proceeds of the Series 2023 Bonds is herein collectively referred to as the “Astor Creek Phase One Project”); and

WHEREAS, Astor Creek Development LLC, a Florida limited liability company is the master developer of the Astor Creek Phase One Assessment Area (together with its successors, assigns and/or an affiliated entity, the “Developer”); and

WHEREAS, the Issuer has, pursuant to Resolution of the Districts, adopted on February 16, 2023, determined to issue a Series of Bonds designated as the Verano #4 Community Development District Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area) in the principal amount of not exceeding \$7,000,000 (the “Series 2023 Bonds”), pursuant to the Master Indenture and this Eleventh Supplemental Indenture (hereinafter sometimes collectively referred to as the “Indenture” or “Applicable Indenture”) to finance a portion of the Astor Creek Phase One Project which is currently located within a portion of District #4 (herein referred to as the “Astor Creek Phase One Assessment Area”); and

WHEREAS, in the manner provided herein, the proceeds of the Series 2023 Bonds will be used to provide funds for (i) the Costs of constructing and acquiring a portion of Astor Creek Phase One Project, (ii) the payment of Capitalized Interest on the Series 2023 Bonds through at least November 1, 2023, (iii) the funding of the Series 2023 Reserve Account, and (iv) the payment of the costs of issuance of the Series 2023 Bonds; and

WHEREAS, the Series 2023 Bonds will be secured by a pledge of Series 2023 Pledged Revenues (as hereinafter defined) to the extent provided herein.

NOW, THEREFORE, THIS ELEVENTH SUPPLEMENTAL INDENTURE WITNESSETH, that to provide for the issuance of the Series 2023 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2023 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2023 Bonds by the Owners thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to U.S. Bank Trust Company, National Association, as the successor Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Series 2023 Pledged Revenues (as defined herein) as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2023 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

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“Assessment Resolutions” shall mean Resolution No. 2015-02, Resolution No. 2015-03, Resolution No. 2015-04 and Resolution No. 2018-02 of the Issuer adopted on March 5, 2015, March 5, 2015, April 9, 2015 and December 11, 2017, respectively, as amended and supplemented from time to time.

“Astor Creek Phase One Assessment Area” shall mean the lands comprising a portion of Pod G within District #4, representing Plat Numbers 3, 4, 5 and 6, as legally described in Exhibit E attached hereto.

“Astor Creek Phase One Project” shall mean the public infrastructure described in Exhibit A attached hereto.

“Authorized Denomination” shall mean, with respect to the Series 2023 Bonds, on the date of issuance, in the denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial beneficial owner does not purchase at least \$100,000 of the Series 2023 Bonds at the time of initial delivery of the Series 2023 Bonds, such beneficial owner must either execute and deliver to the Underwriter on the date of delivery of the Series 2023 Bonds the investor letter in the form attached hereto as Exhibit D or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an “accredited investor” as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

“Bonds” shall mean the Issuer’s Special Assessments Bonds issued pursuant to the Master Indenture.

“Capitalized Interest” shall mean interest due or to become due on the Series 2023 Bonds, which will be paid, or is expected to be paid, from the proceeds of the Series 2023 Bonds.

“Collateral Assignment” shall mean that certain instrument executed by the Developer in favor of the Issuer whereby all of the material documents necessary to complete the Astor Creek Phase One Project are collaterally assigned as security for the Developer’s and the Homebuilder’s obligations to pay the Series 2023 Special Assessments imposed against lands within the Astor Creek Phase One Assessment Area.

“Completion Agreement” shall mean that certain Agreement to Dedicate and Complete – Public Infrastructure between Verano Development LLC and District #1 which is binding on the Developer.

“Continuing Disclosure Agreement” shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2023 Bonds, dated the date of delivery of the Series 2023 Bonds, by and among the Issuer, the dissemination agent named therein, the Developer, and joined by the parties named in connection with the issuance of the Series 2023 Bonds.

“District Engineer” shall mean AECOM Technical Services, Inc.

“District Manager” shall mean Governmental Management Services - South Florida, LLC, and its successors and assigns.

“Districts” shall mean District #4, Verano Center Community Development District (“Center District”), Verano #1 Community Development District (“District #1”), Verano #2

TO HAVE AND TO HOLD the same and any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery, assignment or otherwise, be subject to the lien created by the Indenture with respect to the Series 2023 Bonds.

IN TRUST NEVERTHELESS, for the equal and ratable benefit and security of all present and future Owners of the Series 2023 Bonds issued and to be issued under this Eleventh Supplemental Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this Eleventh Supplemental Indenture) of any one Series 2023 Bond over any other Series 2023 Bond, all as provided in the Indenture.

PROVIDED, HOWEVER, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2023 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2023 Bonds and the Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Indenture to be kept, performed and observed by it, and shall pay or cause to be paid to the Trustee all sums of money due or to become due to it in accordance with the terms and provisions hereof, then upon such final payments this Eleventh Supplemental Indenture and the rights hereby granted shall cease and terminate, otherwise this Eleventh Supplemental Indenture to be and remain in full force and effect.

## ARTICLE I DEFINITIONS

In this Eleventh Supplemental Indenture capitalized terms used without definition shall have the meanings ascribed thereto in the Master Indenture and, in addition to certain terms defined in the recitals above, the following terms shall have the meanings specified below, unless otherwise expressly provided or unless the context otherwise requires:

“Acquisition Agreement” shall mean that certain Improvement Acquisition and Developer Contribution Agreement – Astor Creek Phase One Project relating to the acquisition of the Astor Creek Phase One Project, by and between the Developer and the Issuer, or the Administration District on behalf of the Issuer.

“Act” shall mean the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, and Part I of Chapter 163, Florida Statutes, as such statutes are amended from time to time, and any successor statutes thereto.

“Administration District” shall mean initially the Verano District #5 Community Development District and subsequently any of the other Districts designated by the Districts pursuant to the Interlocal Agreement to serve in such capacity in connection with the Series 2023 Bonds and the Astor Creek Phase One Project.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated the date of delivery of the Series 2023 Bonds, relating to certain restrictions on arbitrage under the Code with respect to the Bonds.

Community Development District (“District #2”), Verano #3 Community Development District (“District #3”), and Verano #5 Community Development District (“District #5,” and, together with the Center District, District #1, District #2, and District #3, the “Other Districts,” and, collectively with District #4, the “Districts”) as community development districts under the Act.

“Indenture” or “Applicable Indenture” shall mean collectively, the Master Indenture and this Eleventh Supplemental Indenture.

“Interlocal Agreement” shall mean that certain Amended and Restated Interlocal Agreement by and among the Districts.

“Interest Payment Date” shall mean May 1 and November 1 of each year, commencing November 1, 2023.

“Majority Holders” means the beneficial owners of more than fifty percent (50%) in principal amount of the Outstanding Series 2023 Bonds.

“Master Engineer’s Report” shall mean that certain Master Engineer’s Report for the Public Infrastructure serving the Verano Community Development District dated November 17, 2005, as amended on March 5, 2015, as supplemented with respect to the Astor Creek Phase One Project, all prepared by AECOM Technical Services, Inc. (herein, the “District Engineer”).

“Master Indenture” shall mean the Master Trust Indenture, dated as of June 1, 2015, by and between the Districts and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Series 2023 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2023 Bonds as specifically defined in this Eleventh Supplemental Indenture).

“Other Districts” shall mean the Issuer and the other Districts.

“Paying Agent” shall mean U.S. Bank Trust Company, National Association, and its successors and assigns as Paying Agent hereunder.

“Prepayment” shall mean the payment by any owner of property of the amount of Series 2023 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments. The term “Prepayment” also means any proceeds received as a result of a true-up payment, or accelerating and/or foreclosing the Series 2023 Special Assessments. “Prepayments” shall include, without limitation, Series 2023 Prepayment Principal.

“Quarterly Redemption Date” shall mean February 1, May 1, August 1, and November 1.

“Redemption Price” shall mean the principal amount of any Series 2023 Bond payable upon redemption thereof pursuant to this Eleventh Supplemental Indenture.

“Registrar” shall mean U.S. Bank Trust Company, National Association and its successors and assigns as Registrar hereunder.

“Release Conditions” shall mean all of the following:

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(a) all of the principal portion of the Series 2023 Special Assessments has been assigned to residential units that have been constructed and each have received certificates of occupancy; and

(b) no Event of Default under the Master Indenture has occurred, all as evidenced pursuant to Section 4.01(f) hereof.

“Regular Record Date” shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date.

“Resolution” shall mean collectively (i) Resolution No. 2015-05 of the Issuer adopted on April 9, 2015, pursuant to which the Issuer authorized the issuance of not exceeding \$469,400,000 aggregate principal amount of its Bonds to finance the acquisition or construction of certain public infrastructure pursuant to the Act, and (ii) Resolution of the Issuer and the Other Districts adopted on February 16, 2023, pursuant to which the Issuer authorized the issuance of not exceeding \$7,000,000 aggregate principal amount of its Series 2023 Bonds to finance the acquisition of the Astor Creek Phase One Project, specifying parameters by which the details of the Series 2023 Bonds shall be determined and awarding the Series 2023 Bonds to the Underwriter of the Series 2023 Bonds pursuant to such parameters.

“Series 2023 Acquisition and Construction Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this Eleventh Supplemental Indenture.

“Series 2023 Bond Redemption Account” shall mean the Series 2023 Bond Redemption Account established as a separate Account within the Debt Service Fund pursuant to Section 4.01(g) of this Eleventh Supplemental Indenture.

“Series 2023 Bonds” shall mean the \$ \_\_\_\_\_ aggregate principal amount of Verano #4 Community Development District Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area), to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this Eleventh Supplemental Indenture, and secured and authorized by the Master Indenture and this Eleventh Supplemental Indenture.

“Series 2023 Capitalized Interest Account” shall mean the account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(d) of this Eleventh Supplemental Indenture.

“Series 2023 Costs of Issuance Account” shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this Eleventh Supplemental Indenture.

“Series 2023 General Redemption Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Eleventh Supplemental Indenture.

“Series 2023 Interest Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(d) of this Eleventh Supplemental Indenture.

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fifty percent (50%) of the maximum annual debt service of the Series 2023 Bonds after taking into account such extraordinary mandatory redemption (prior to satisfaction of the Release Conditions or ten percent (10%) (after satisfaction of the Release Conditions) of the maximum annual debt service of the Series 2023 Bonds after taking into account such extraordinary mandatory redemption. Any amount in the Series 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2023 Bonds be used to pay principal of and interest on the Series 2023 Bonds at that time. The initial Series 2023 Reserve Requirement shall be equal to \$ \_\_\_\_\_.

“Series 2023 Revenue Account” shall mean the Account so designated, established as a separate Account within the Revenue Fund pursuant to Section 4.01(b) of this Eleventh Supplemental Indenture.

“Series 2023 Sinking Fund Account” shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(e) of this Eleventh Supplemental Indenture.

“Series 2023 Special Assessments” shall mean the Special Assessments levied on the assessable lands within the Astor Creek Phase One Assessment Area as a result of the Issuer’s acquisition and/or construction of the Astor Creek Phase One Project, corresponding in amount to the debt service on the Series 2023 Bonds and designated as such in the methodology report relating thereto.

“Substantially Absorbed” means, with respect to the Series 2023 Bonds, the date at least 90% of the residential units within the Astor Creek Phase One Assessment Area that will secure the Series 2023 Bonds that have received certificates of occupancy.

“True-Up Agreement” shall mean that certain True-Up Agreement between Verano Development LLC and District #1 and joined by Center District which is binding on the Developer by virtue of its succession of interest in Verano Development LLC.

“Underwriter” shall mean FMSBonds, Inc., the underwriter of the Series 2023 Bonds.

The words “hereof,” “herein,” “hereto,” “hereby,” and “hereunder” (except in the form of Series 2023 Bonds), refer to the entire Indenture.

Every “request,” “requisition,” “order,” “demand,” “application,” “notice,” “statement,” “certificate,” “consent,” or similar action hereunder by the Issuer shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by the Chairperson or Vice Chairperson and the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary or Responsible Officer of the Issuer.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

[END OF ARTICLE I]

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“Series 2023 Optional Redemption Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Eleventh Supplemental Indenture.

“Series 2023 Pledged Revenues” shall mean (a) all revenues received by the Issuer from Series 2023 Special Assessments levied and collected on the assessable lands within the Astor Creek Phase One Assessment Area, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2023 Special Assessments, and (b) all moneys on deposit in the Funds, Accounts and subaccounts established under the Indenture created and established with respect to or for the benefit of the Series 2023 Bonds; provided, however, that Series 2023 Pledged Revenues shall not include (A) any moneys transferred to the Series 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) “special assessments” levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or “maintenance assessments” levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

“Series 2023 Prepayment Principal” shall mean the portion of a Prepayment corresponding to the principal amount of Series 2023 Special Assessments being prepaid pursuant to Section 4.06 of this Eleventh Supplemental Indenture or as a result of an acceleration of the Series 2023 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Series 2023 Special Assessments are being collected through a direct billing method.

“Series 2023 Prepayment Subaccount” shall mean the subaccount so designated, established as a separate subaccount under the Series 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Eleventh Supplemental Indenture.

“Series 2023 Principal Account” shall mean the account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(c) of this Eleventh Supplemental Indenture.

“Series 2023 Rebate Fund” shall mean the Fund so designated, established pursuant to Section 4.01(j) of this Eleventh Supplemental Indenture.

“Series 2023 Reserve Account” shall mean the Series 2023 Reserve Account established as a separate Account within the Reserve Fund pursuant to Section 4.01(f) of this Eleventh Supplemental Indenture.

“Series 2023 Reserve Requirement” or “Reserve Requirement” shall mean an amount initially equal to fifty percent (50%) of the maximum annual debt service with respect to the initial principal amount of the Series 2023 Bonds determined on the date of issue. Upon satisfaction of the Release Conditions, the Series 2023 Reserve Requirement shall be reduced to an amount equal to ten percent (10%) of the maximum annual debt service with respect to the then Outstanding principal amount of the Series 2023 Bonds. If a portion of the Series 2023 Bonds are redeemed pursuant to Section 3.01(b)(i) or Section 3.01(b)(iii), the Reserve Requirement shall be reduced to

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## ARTICLE II THE SERIES 2023 BONDS

**SECTION 2.01.** Amounts and Terms of Series 2023 Bonds; Issue of Series 2023 Bonds. No Series 2023 Bonds may be issued under this Eleventh Supplemental Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a) The total principal amount of Series 2023 Bonds that may be issued under this Eleventh Supplemental Indenture is expressly limited to \$ \_\_\_\_\_. The Series 2023 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Series 2023 Bonds shall be issued substantially in the form attached hereto as Exhibit B, with such appropriate variations, omissions and insertions as are permitted or required by the Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution. The Issuer shall issue the Series 2023 Bonds upon execution of this Eleventh Supplemental Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer’s request, authenticate such Series 2023 Bonds and deliver them as specified in the request.

**SECTION 2.02.** Execution. The Series 2023 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

**SECTION 2.03.** Authentication. The Series 2023 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2023 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

**SECTION 2.04.** Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2023 Bonds.

(a) The Series 2023 Bonds are being issued hereunder in order to provide funds (i) for the payment of the Costs of constructing and acquiring a portion of the Astor Creek Phase One Project, (ii) to pay Capitalized Interest on the Series 2023 Bonds through at least November 1, 2023, (iii) to fund the Series 2023 Reserve Account in an amount equal to the initial Series 2023 Reserve Requirement; and (iv) to pay the costs of issuance of the Series 2023 Bonds. The Series 2023 Bonds shall be designated “Verano #4 Community Development District Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area),” and shall be issued as fully registered bonds without coupons in Authorized Denominations.

(b) The Series 2023 Bonds shall be dated as of the date of initial delivery. Regularly scheduled interest on the Series 2023 Bonds shall be payable on each May 1 and November 1 Interest Payment Date, commencing November 1, 2023, to maturity or prior redemption in full. Interest on the Series 2023 Bonds shall be payable from the most recent May 1 and November 1 Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to November 1, 2023, in which case from the date of initial delivery or unless the date of authentication thereof is between a Regular Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

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(c) Except as otherwise provided in Section 2.07 of this Eleventh Supplemental Indenture in connection with a book entry only system of registration of the Series 2023 Bonds, the principal or Redemption Price of the Series 2023 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2023 Bonds. Except as otherwise provided in Section 2.07 of this Eleventh Supplemental Indenture in connection with a book entry only system of registration of the Series 2023 Bonds, the payment of interest on the Series 2023 Bonds shall be made on each Interest Payment Date to the Owners of the Series 2023 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2023 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2023 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2023 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date.

#### SECTION 2.05. Details of the Series 2023 Bonds.

(a) The Series 2023 Bonds will mature on May 1 in the years and in the principal amounts, and bear interest at the rates all as set forth below, subject to the right of prior redemption in accordance with their terms.

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
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\*Term Bonds

(b) Interest on the Series 2023 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2023 Bonds on the day before the default occurred.

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to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners.

The Issuer and the Trustee, if appropriate, shall enter into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer in accordance with the procedures of DTC. In the event of such termination, the Issuer shall select another securities depository and in that event, all references herein to DTC or Cede & Co., shall be deemed to be for reference to such successor. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2023 Bonds in the form of fully registered Series 2023 Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2023 Bonds may be exchanged for an equal aggregate principal amount of Series 2023 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee.

**SECTION 2.08. Appointment of Registrar and Paying Agent.** The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the "Bond Register") for the registration, transfer and exchange of the Series 2023 Bonds, and hereby appoints U.S. Bank Trust Company, National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank Trust Company, National Association hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints U.S. Bank Trust Company, National Association as Paying Agent for the Series 2023 Bonds. U.S. Bank Trust Company, National Association hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

**SECTION 2.09. Conditions Precedent to Issuance of the Series 2023 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2023 Bonds, all the Series 2023 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Resolutions;
- (b) Executed originals of the Master Indenture and this Eleventh Supplemental Indenture;
- (c) An opinion of Counsel to the Issuer also addressed to the Trustee substantially to the effect that (i) the Issuer has been duly established and validly exists as a community development district under the Act, (ii) the Issuer has good right and lawful authority under the Act to purchase the Astor Creek Phase One Project being financed with the proceeds of

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**SECTION 2.06. Disposition of Series 2023 Bond Proceeds.** From the net proceeds of the Series 2023 Bonds received by the Trustee in the amount of \$\_\_\_\_\_.

(a) \$\_\_\_\_\_ derived from the net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Capitalized Interest Account;

(b) \$\_\_\_\_\_ derived from the net proceeds of the Series 2023 Bonds (which is an amount equal to the initial Series 2023 Reserve Requirement) shall be deposited in the Series 2023 Reserve Account of the Reserve Fund;

(c) \$\_\_\_\_\_ derived from the net proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2023 Bonds; and

(d) \$\_\_\_\_\_ representing the balance of the net proceeds of the Series 2023 Bonds shall be deposited in the Series 2023 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied in accordance with Article V of the Master Indenture, Section 4.01(a) of this Eleventh Supplemental Indenture and the terms of the Acquisition Agreement.

**SECTION 2.07. Book-Entry Form of Series 2023 Bonds.** The Series 2023 Bonds shall be issued as one fully registered bond for each maturity of Series 2023 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants.

As long as the Series 2023 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof and in the Master Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2023 Bonds ("Beneficial Owners").

Principal and interest on the Series 2023 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC without the need for presentation of the Series 2023 Bonds. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2023 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is registered owner of the Series 2023 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices

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the Series 2023 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to own and operate the Astor Creek Phase One Project, (iii) all proceedings undertaken by the Issuer with respect to the Series 2023 Special Assessments have been in accordance with Florida law, (iv) the Issuer has taken all action necessary to levy and impose the Series 2023 Special Assessments, (v) the Series 2023 Special Assessments are legal, valid and binding liens upon the property against which such Series 2023 Special Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other state liens, titles and claims, until paid; and (vi) the Interlocal Agreement is a valid binding agreement among the Districts;

(d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2023 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this Eleventh Supplemental Indenture; and

(e) Copies of the Collateral Assignment, the Completion Agreement, the True-Up Agreement and the Acquisition Agreement.

Receipt by the Trustee of the net proceeds from the initial sale of the Series 2023 Bonds shall constitute conclusive evidence of the fulfillment of the conditions precedent for the issuance of the Series 2023 Bonds to the satisfaction of the Issuer and the Underwriter.

[END OF ARTICLE II]

**ARTICLE III  
REDEMPTION OF SERIES 2023 BONDS**

**SECTION 3.01. Redemption Dates and Prices.** The Series 2023 Bonds shall be subject to redemption at the times and in the manner provided in this Article III. All payments of the Redemption Price of the Series 2023 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2023 Bonds are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2023 Bonds or portions of the Series 2023 Bonds to be redeemed by lot. Partial redemptions of Series 2023 Bonds shall be made in such a manner that the remaining Series 2023 Bonds held by each Bondholder shall be in Authorized Denominations.

(a) **Optional Redemption.** The Series 2023 Bonds may, at the option of the Issuer, be called for redemption prior to maturity as a whole or in part, at any time, on or after May 1, 20XX (less than all Series 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2023 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date to the redemption date from moneys on deposit in the Series 2023 Optional Redemption Subaccount of the Series 2023 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2023 Bonds is substantially level.

(b) **Extraordinary Mandatory Redemption in Whole or in Part.** The Series 2023 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below, where a partial redemption must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account and from amounts in the Series 2023 Reserve Account in excess of the applicable Series 2023 Reserve Requirement, as described in Section 4.01(f) hereof, following the payment in whole or in part of Series 2023 Special Assessments on any assessable property within the Astor Creek Phase One Assessment Area in accordance with the provisions of Section 4.06 of this Eleventh Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2023 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) from any funds remaining on deposit in any of the Series 2023 Acquisition and Construction Account not otherwise reserved to complete the Astor Creek Phase One Project (including any amounts transferred from the Series 2023 Reserve Account) all of which have been transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

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The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2023 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2023 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2023 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

**SECTION 3.02. Notice of Redemption.** When required to redeem Series 2023 Bonds under any provision of this Eleventh Supplemental Indenture or directed to redeem Series 2023 Bonds by the Issuer, the Trustee shall give or cause to be given to Owners of the Series 2023 Bonds to be redeemed, notice of the redemption, as set forth in Article VIII of the Master Indenture.

[END OF ARTICLE III]

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(c) **Mandatory Sinking Fund Redemption.** The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

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**ARTICLE IV  
ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS;  
ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;  
REMOVAL OF SERIES 2023 SPECIAL ASSESSMENT LIENS**

**SECTION 4.01. Establishment of Certain Funds and Accounts.**

(a) The Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2023 Acquisition and Construction Account." Proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Acquisition and Construction Account in the amount set forth in Section 2.06 of this Eleventh Supplemental Indenture, together with any moneys transferred to the Series 2023 Acquisition and Construction Account, pursuant to the provisions of this Eleventh Supplemental Indenture, and such moneys in any of such Account shall be requested to be applied by the Issuer as set forth in Section 5.01 of the Master Indenture, this Section 4.01(a) and the Acquisition Agreement. Upon presentment by the District Manager or the Issuer to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2023 Acquisition and Construction Account and pay such moneys to the Person or Persons such requisition so directs. Pursuant to the Master Indenture, the Trustee shall establish a separate Account within the Acquisition and Construction Fund designated as the "Series 2023 Costs of Issuance Account." Proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Costs of Issuance Account in the amount set forth in Section 2.06 of this Eleventh Supplemental Indenture. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2023 Costs of Issuance Account to pay the requested costs of issuing the Series 2023 Bonds. Six months after the issuance of the Series 2023 Bonds, any moneys remaining in the Series 2023 Costs of Issuance Account in excess of the amount requested to be disbursed by the Issuer shall be deposited into the Series 2023 Interest Account. Any deficiency in the amount allocated to pay the cost of issuing the Series 2023 Bonds shall be paid from excess Series 2023 Pledged Revenues on deposit in the Series 2023 Revenue Account pursuant to paragraph EIGHTH of Section 4.02 hereof. When there are no further moneys therein, the Series 2023 Costs of Issuance Account shall be closed.

Following the Completion Date for the Astor Creek Phase One Project, all moneys remaining in the Series 2023 Acquisition and Construction Account shall be transferred to the Series 2023 General Redemption Subaccount, as directed in writing to the Trustee by the District Manager, on behalf of the Issuer. The Trustee shall not be responsible for determining if the Completion Date has occurred, but shall be permitted to rely upon the written notice from the District Manager as to the occurrence of the Completion Date. Subject to the provisions of Section 4.01(i) hereof, the Series 2023 Acquisition and Construction Account shall be closed upon the expenditure of all funds therein including moneys deposited therein as a result of satisfaction of the Release Conditions.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2023 Revenue Account." Series 2023 Special Assessments (except for Prepayments of Series 2023 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2023 Revenue Account

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which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this Eleventh Supplemental Indenture.

(c) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2023 Principal Account." Moneys shall be deposited into the Series 2023 Principal Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this Eleventh Supplemental Indenture, and applied for the purposes provided therein.

(d) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish two (2) separate Accounts within the Debt Service Fund designated as the "Series 2023 Interest Account" and the "Series 2023 Capitalized Interest Account." Moneys deposited into the Series 2023 Interest Account and Series 2023 Capitalized Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this Eleventh Supplemental Indenture, shall be applied for the purposes provided therein.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish another separate Account within the Debt Service Fund designated as the "Series 2023 Sinking Fund Account." Moneys shall be deposited into the Series 2023 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and applied for the purposes provided therein and in Section 3.01(c) of this Eleventh Supplemental Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish a separate Account within the Reserve Fund designated as the "Series 2023 Reserve Account." Proceeds of the Series 2023 Bonds shall be deposited into the Series 2023 Reserve Account in the amount set forth in Section 2.06 of this Eleventh Supplemental Indenture, and such moneys, together with any other moneys deposited into the Series 2023 Reserve Account shall be applied for the purposes provided therein and in this Section 4.01(f) of this Eleventh Supplemental Indenture. Notwithstanding any provision in the Master Indenture to the contrary, the Issuer covenants not to substitute the cash and Investment Securities on deposit in the Series 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2023 Reserve Account and transfer any excess therein above the Reserve Requirement prior to the Completion Date caused by investment earnings to the Series 2023 Acquisition and Construction Account and, after the Completion Date to the Series 2023 Revenue Account to be applied in accordance with 4.02 hereof.

At such time the principal of the Series 2023 Bonds is redeemed as a result of a Prepayment of the Series 2023 Special Assessments, pursuant to Section 3.01(b)(i) hereof, the District Manager, on behalf of the Issuer, shall calculate the Series 2023 Reserve Requirement and communicate the same to the Trustee in writing. If, as a result of such calculation, there are excess moneys on deposit in the Series 2023 Reserve Account, the Trustee shall transfer such excess as a credit against the proposed Prepayment and applied to the Series 2023 Prepayment Subaccount and shall apply such excess in accordance with Section 3.01(b)(i) on the next Quarterly Redemption Date.

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Notwithstanding any of the foregoing, amounts on deposit in the Series 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by a majority of the Holders of the Series 2023 Bonds to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2023 Special Assessments and applied to redeem a portion of the Series 2023 Bonds is less than the principal amount of Series 2023 Bonds indebtedness attributable to such lands as certified in writing to the Trustee by the District Manager. The Trustee shall have no duty to verify such calculation or the components thereof.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Account within the Bond Redemption Fund designated as the "Series 2023 Bond Redemption Account" and within such Account, a "Series 2023 General Redemption Subaccount," a "Series 2023 Optional Redemption Subaccount," and a "Series 2023 Prepayment Subaccount." Except as otherwise provided in this Eleventh Supplemental Indenture regarding Prepayments or in connection with the optional redemption of the Series 2023 Bonds, moneys to be deposited into the Series 2023 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

(h) Moneys that are deposited into the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account (including all earnings on investments held therein) shall be used to call Series 2023 Bonds for the extraordinary mandatory redemption in whole, pursuant to Section 3.01(b)(ii) hereof or in part pursuant to Section 3.01(b)(iii).

(i) Moneys in the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account (including all earnings on investments held in such 2020 Prepayment Subaccount of the Series 2023 Bond Redemption Account) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2023 Bonds equal to the amount of money transferred to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in such Section 3.01(b)(i) hereof. The Trustee may conclusively rely on the District Manager's, on behalf of the Issuer, determination of what moneys constitute Prepayments. The District Manager shall (taking into account the amount from the Series 2023 Reserve Account which will be available for a credit against such Prepayment) calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2023 Bonds pursuant to Section 3.01(b)(i) forty-five (45) days prior to each Quarterly Redemption Date.

(j) The Issuer hereby directs the Trustee to establish a Series 2023 Rebate Fund designated as the "Series 2023 Rebate Fund" when deposits are required to be made therein. Moneys shall be deposited into the Series 2023 Rebate Fund, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Series 2023 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2023 Bonds pursuant to Section 3.01(a) hereof.

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Subject to the provisions of Section 4.06 hereof, on any date the Issuer or the District Manager, on behalf of the Issuer, receives notice that a landowner wishes to prepay its Series 2023 Special Assessments relating to the benefited property of such landowner within the Astor Creek Phase One Assessment Area within the District, or as a result of a mandatory true-up payment, the Issuer shall cause the District Manager, on behalf of the Issuer, to calculate the principal amount of such Prepayment taking into account a credit against the amount of the Series 2023 Prepayment Principal due by the amount of money in the Series 2023 Reserve Account that will be in excess of the applicable Reserve Requirement, taking into account the proposed Prepayment. Such excess in the Series 2023 Reserve Account shall be transferred by the Trustee to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the Issuer, shall make such calculation within ten (10) Business Days after notice of such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2023 Bonds in accordance with Section 3.01(b)(i) hereof. The Trustee is authorized to make such transfers and has no duty to verify such calculations. Notwithstanding the foregoing, upon satisfaction of the Release Conditions, the Trustee shall deposit such excess on deposit in the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account and pay such amount deposited in the Series 2023 Acquisition and Construction Account to the Person or Persons designated in a requisition in the form attached hereto as Exhibit "C" submitted by the Developer within thirty (30) days of such transfer which requisition shall be executed by the Issuer and the District Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared provided the Developer can establish, to the satisfaction of the District Engineer (as evidenced by the execution of the applicable requisition by the Issuer and the District Engineer that has been submitted by the Developer), that such Costs of the Astor Creek Phase One Project were not paid from moneys initially deposited in the Series 2023 Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Developer, such excess moneys transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account shall be deposited into the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

Upon satisfaction of the Release Conditions as evidenced by a written certificate of the District Manager delivered to the Issuer and the Trustee, stating that the Release Conditions have been satisfied and setting forth the amount of the new Series 2023 Reserve Requirement, the Trustee shall without further direction reduce the Series 2023 Reserve Requirement to ten percent (10%) of the maximum annual debt service of the then Outstanding principal amount of the Series 2023 Bonds as calculated by the District Manager. The excess amount in the Series 2023 Reserve Account as a result of satisfaction of Release Conditions shall be transferred to the Series 2023 Acquisition and Construction Account. The Trustee may conclusively rely on such written certificate of the District Manager.

In addition, in the event of an extraordinary mandatory redemption pursuant to Section 3.01(b)(iii), the Trustee shall apply any resulting excess in the Series 2023 Reserve Account, based on the Reserve Requirement calculated by the District Manager, toward such extraordinary mandatory redemption.

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**SECTION 4.02. Series 2023 Revenue Account.** The Trustee shall transfer from amounts on deposit in the Series 2023 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each May 1 commencing May 1, 2023, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding May 1, less any amount on deposit in the Series 2023 Capitalized Interest Account or the Series 2023 Interest Account not previously credited;

SECOND, upon receipt but no later than the Business Day next preceding each November 1 commencing November 1, 2023, to the Series 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2023 Bonds becoming due on the next succeeding November 1, less any amounts on deposit in the Series 2023 Capitalized Interest Account or Series 2023 Interest Account not previously credited;

THIRD, no later than the Business Day next preceding each May 1, commencing May 1, 2024, to the Series 2023 Sinking Fund Account of the Debt Service Fund, an amount equal to the principal amount of Series 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Series 2023 Sinking Fund Account not previously credited;

FOURTH, no later than the Business Day next preceding the May 1, which is a principal payment date for any Series 2023 Bonds, to the Series 2023 Principal Account of the Debt Service Fund, an amount equal to the principal amount of Series 2023 Bonds Outstanding maturing on such May 1, less any amounts on deposit in the Series 2023 Principal Account not previously credited;

FIFTH, notwithstanding the foregoing, at any time the Series 2023 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer to the Series 2023 Interest Account the amount necessary to pay interest on the Series 2023 Bonds subject to redemption on such date; and

SIXTH, upon receipt but no later than the Business Day next preceding each May 1 or November 1 Interest Payment Date while Series 2023 Bonds remain Outstanding, to the Series 2023 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2023 Bonds; and

SEVENTH, upon any Quarterly Redemption Date, the Trustee shall be authorized to withdraw moneys from the Series 2023 Revenue Account in order to round up any Series 2023 Bonds subject to extraordinary mandatory redemption pursuant to Section 3.01(b)(i) so such Series 2023 Bonds are redeemed in Authorized Denominations; and

EIGHTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2023 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the

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cost of issuing the Series 2023 Bonds and next, any balance in the Series 2023 Revenue Account shall remain on deposit in such Series 2023 Revenue Account, unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2023 Rebate Fund, in which case, the Issuer or the District Manager, on behalf of the Issuer, shall direct the Trustee to make such deposit thereto.

Notwithstanding that the Issuer has funded the Series 2023 Capitalized Interest Account to pay interest on the Series 2023 Bonds through at least November 1, 2023, moneys on deposit in the Series 2023 Capitalized Interest Account, including all investment earnings thereon, shall remain on deposit in such Account and be used by the Trustee to pay interest on the Series 2023 Bonds on any subsequent Interest Payment Date if moneys remain after November 1, 2023. When such Account has been depleted of all funds, the Trustee shall be authorized to close such subaccount.

**SECTION 4.03. Power to Issue Series 2023 Bonds and Create Lien.** The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2023 Bonds, to execute and deliver the Indenture and to pledge the Series 2023 Pledged Revenues for the benefit of the Series 2023 Bonds to the extent set forth herein. The Series 2023 Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2023 Bonds, except in case of refunding bonds as provided in Section 5.04 hereof. The Series 2023 Bonds and the provisions of the Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Indenture and all the rights of the Owners of the Series 2023 Bonds under the Indenture against all claims and demands of all persons whomsoever.

**SECTION 4.04. Astor Creek Phase One Project to Conform to District Engineer's Report.** Upon the issuance of the Series 2023 Bonds, the Issuer will promptly proceed to acquire the Astor Creek Phase One Project, as described in Exhibit A hereto and in the District Engineer's Report relating thereto, all pursuant to the terms and provisions of the Acquisition Agreement.

**SECTION 4.05. Collateral Assignment of Rights in the Astor Creek Phase One Project.** The Issuer hereby collaterally assigns to the Trustee, to the extent assignable and to the extent that the below described development and contract rights are solely owned or controlled by Issuer at the time the Collateral Assignment becomes effective, all of District #4's development rights and contract rights relating to the Astor Creek Phase One Project. This assignment shall become effective upon a failure of the Issuer to pay debt service on the Series 2023 Bonds when due. Notwithstanding the foregoing, the Collateral Assignment is given by the Issuer solely for purposes of achieving Development Completion as such term is defined in the Collateral Assignment relating to the Astor Creek Phase One Project and not as security for the Series 2023 Bonds. Upon such Development Completion, the Collateral Assignment shall automatically become null and void and all right, title and interest in the Public Infrastructure resulting from such assigned rights shall vest with the Issuer or as the Issuer so directs. This conditional assignment does not result in the creation of any obligations on the part of the Trustee.

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## ARTICLE V COVENANTS AND DESIGNATIONS OF THE ISSUER

**SECTION 5.01. Collection of Series 2023 Special Assessments.** Pursuant to the terms and provisions of the Master Indenture, the Issuer shall collect the Series 2023 Special Assessments relating to the acquisition and construction of the Astor Creek Phase One Assessment Area through the Uniform Method of Collection (the "Uniform Method") afforded by Chapter 197, Florida Statutes. Pursuant to the terms and provisions of the Master Indenture, the Issuer shall, pursuant to the provisions of the Assessment Resolutions, directly collect the Series 2023 Special Assessments levied in lieu of the Uniform Method with respect to any assessable lands which have not yet been platted, or platted but still owned by the Developer or the timing for using the Uniform Method will not yet allow for using such method or the Majority Holders direct otherwise. In addition, and not in limitation of, the covenants contained elsewhere in this Eleventh Supplemental Indenture and in the Master Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2023 Special Assessments, and to levy the Series 2023 Special Assessments in such manner as will generate funds sufficient to pay Debt Service on the Series 2023 Bonds when due.

**SECTION 5.02. Continuing Disclosure.** Contemporaneously with the execution and delivery hereof, the Issuer has executed and delivered a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The Issuer covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement applicable to it; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but shall instead be enforceable by mandamus or any other means of specific performance.

**SECTION 5.03. Investment of Funds and Accounts.** The provisions of Section 7.02 of the Master Indenture shall apply to the investment and reinvestment of moneys in the Series 2023 Accounts and subaccounts therein created hereunder.

**SECTION 5.04. Additional Obligations.** The Issuer covenants not to issue any other Bonds or other debt obligations secured by the Series 2023 Special Assessments. Such covenant shall not prohibit the Issuer from issuing refunding bonds. In addition, the Issuer covenants not to issue any other Bonds or debt obligations secured by Special Assessments on assessable lands within the Astor Creek Phase One Assessment Area that are subject to the Series 2023 Special Assessments unless the Series 2023 Special Assessments levied within the Astor Creek Phase One Assessment Area have been Substantially Absorbed, provided the foregoing shall not preclude the imposition of Special Assessments or other non-ad valorem assessments on such lands in connection with other capital projects that are necessary for health, safety or welfare reasons or to remediate a natural disaster. The Trustee and the Issuer may rely on a written certificate from the District Manager regarding the occurrence of the Series 2023 Special Assessments being Substantially Absorbed. Notwithstanding any provision in the Indenture to the contrary, the Issuer may issue other Bonds or debt obligations secured by Special Assessments on the same lands that are subject to the Series 2023 Special Assessments, at any time upon the written consent of the Majority Holders.

**SECTION 5.05. Requisite Owners for Direction or Consent.** Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which

## **SECTION 4.06. Prepayments; Removal of Series 2023 Special Assessment Liens.**

(a) At any time any owner of property subject to the Series 2023 Special Assessments may, at its option, or as a result of acceleration of the Series 2023 Special Assessments because of non-payment thereof, shall, or by virtue of any required true-up payment, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2023 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2023 Special Assessment, which shall constitute Series 2023 Prepayment Principal, plus accrued interest to the next succeeding Quarterly Redemption Date (or the next succeeding Quarterly Redemption Date if such Prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date), attributable to the property subject to Series 2023 Special Assessment owed by such owner. In the event the amount in the Series 2023 Reserve Account will exceed the Series 2023 Reserve Requirement as a result of a Prepayment in accordance with this Section 4.06(a), the excess amount shall be transferred from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account as a credit against the Prepayment otherwise required to be paid by the owner of such lot or parcel. As a condition of providing such credit, the District Manager, on behalf of the Issuer, shall provide written instructions to the Trustee, together with a certification stating that, after giving effect to such transfer sufficient moneys will be on deposit in the Series 2023 Reserve Account to equal or exceed the Series 2023 Reserve Requirement.

(b) Upon receipt of Series 2023 Prepayment Principal as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the County an affidavit or affidavits, as the case may be, executed by the District Manager, to the effect that the Series 2023 Special Assessments have been paid in whole or in part and that such Series 2023 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be.

The Trustee may conclusively rely on the Issuer's, or the District Manager's, on behalf of the Issuer, determination of what moneys constitute Series 2023 Prepayment Principal. The Trustee shall, after its receipt of the calculation by the District Manager required pursuant to Section 4.01(f) hereof, calculate the amount available from the Series 2023 Reserve Account as a result of Prepayment of the Series 2023 Special Assessments for the extraordinary mandatory redemption of the applicable Series 2023 Bonds pursuant to Section 3.01(b)(i) forty-five (45) days prior to each Quarterly Redemption Date. No credit shall be given if as a result the Reserve Requirement shall be less than is required after taking into account the proposed extraordinary mandatory redemption pursuant to Section 3.01(b)(i) hereof. At any time such Prepayment is not in an integral multiple of \$5,000, the Trustee shall withdraw moneys from the Series 2023 Revenue Account to round-up to an integral multiple of \$5,000 and deposit such amount into the Series 2023 Prepayment Subaccount. Notwithstanding the foregoing, the Trustee shall not be authorized to withdraw any moneys from the Series 2023 Revenue Account unless all of the deposits required under Section 4.02 hereof have or can be made to the next succeeding Interest Payment Date.

[END OF ARTICLE IV]

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requires fifty-one percent of the Owners, shall in each case be deemed to refer to, and shall mean, the Majority Holders.

**SECTION 5.06. Acknowledgement Regarding Series 2023 Acquisition and Construction Account Moneys Following an Event of Default.** In accordance with the provisions of the Indenture, the Series 2023 Bonds are payable solely from the Series 2023 Pledged Revenues. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that the Series 2023 Pledged Revenues include, without limitation, all amounts on deposit in the Series 2023 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, and upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, (i) the Series 2023 Pledged Revenues may not be used by the Issuer (whether to pay costs of the 2023 Project or otherwise) without the consent of the Majority Holders, and (ii) the Series 2023 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The Issuer covenants not to enter into any contract regarding the 2023 Project from and after the occurrence of an Event of Default without the written direction of the Majority Holders.

[END OF ARTICLE V]

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ARTICLE VI  
THE TRUSTEE; THE PAYING AGENT AND REGISTRAR

**SECTION 6.01.** Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created and agrees to perform such trusts upon the terms and conditions set forth in the Indenture.

**SECTION 6.02.** Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this Eleventh Supplemental Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Series 2023 Bonds), all of which are made solely by the Issuer. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

**SECTION 6.03.** Brokerage Confirmations. The Issuer acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the Issuer the right to receive individual confirmations of security transactions at no additional cost, as they occur, the Issuer specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the Issuer periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

[END OF ARTICLE VI]

ARTICLE VII  
MISCELLANEOUS PROVISIONS

**SECTION 7.01.** Interpretation of Eleventh Supplemental Indenture. This Eleventh Supplemental Indenture amends and supplements the Master Indenture with respect to the Series 2023 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Eleventh Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and the Eleventh Supplemental Indenture shall be read and construed as one document.

**SECTION 7.02.** Amendments. Any amendments to this Eleventh Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

**SECTION 7.03.** Counterparts. This Eleventh Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

**SECTION 7.04.** Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Eleventh Supplemental Indenture are hereby incorporated herein and made a part of this Eleventh Supplemental Indenture for all purposes.

**SECTION 7.05.** Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2023 Bonds or the date fixed for the redemption of any Series 2023 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

**SECTION 7.06.** No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2023 Bonds.

**SECTION 7.07.** Patriot Act Requirements of the Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of page intentionally left blank.]

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IN WITNESS WHEREOF, Verano #4 Community Development District has caused this Eleventh Supplemental Trust Indenture to be executed by the Chairperson of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by the Secretary of its Board of Supervisors and U.S. Bank Trust Company, National Association has caused this Eleventh Supplemental Trust Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

[SEAL]

Attest:

By: \_\_\_\_\_  
Name: Richard P. Hans  
Title: Secretary, Board of Supervisors

VERANO #4 COMMUNITY  
DEVELOPMENT DISTRICT  
  
By: \_\_\_\_\_  
Name: John C. Csapo  
Title: Chairperson, Board of Supervisors

U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION, as Trustee,  
Paying Agent and Registrar  
  
By: \_\_\_\_\_  
Name: Scott A. Schuhle  
Title: Vice President

VERANO #5 COMMUNITY  
DEVELOPMENT DISTRICT, as  
Administration District  
  
The Verano #5 Community Development District, serving as Administration District, hereby agrees to do all things required of the Administration District in connection with the Series 2023 Bonds, Series 2023 Special Assessments and Astor Creek Phase One Project, as authorized pursuant to the Amended and Restated Interlocal Agreement dated April 9, 2015, as supplemented on April 28, 2017.  
  
By: \_\_\_\_\_  
Name: John C. Csapo  
Title: Chairperson, Board of Supervisors

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF PALM BEACH )

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by John C. Csapo, Chairperson of Verano #4 Community Development District (the "Issuer"), who acknowledged that he did so sign the foregoing instrument as such officer for and on behalf of said Issuer; that the same is his free act and deed as such officer, and the free act and deed of said Issuer; and that the seal affixed to said instrument is the seal of said Issuer; that he appeared before me this day in person and acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said Issuer, for the uses and purposes therein set forth. He is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

Notary: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, STATE OF \_\_\_\_\_  
My commission expires \_\_\_\_\_

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STATE OF FLORIDA )  
 ) SS:  
COUNTY OF \_\_\_\_\_ )

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by Richard P. Hans, Secretary of Verano #4 Community Development District (the "Issuer"), who acknowledged that he did so sign the foregoing instrument as such officer, for and on behalf of said Issuer; that the same is his free act and deed as such officer and the free act and deed of said Issuer; and that the seal affixed to said instrument is the seal of said Issuer; that he appeared before me this day in person and severally acknowledged that he, being thereunto duly authorized, signed, sealed with the seal of said Issuer, for the uses and purposes therein set forth. He is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

Notary: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, STATE OF \_\_\_\_\_  
My commission expires \_\_\_\_\_

**EXHIBIT A**  
**DESCRIPTION OF ASTOR CREEK PHASE ONE PROJECT**

The Astor Creek Phase One Project includes, but is not limited to, the following improvements, as more particularly described in the Master Engineer's Report:

- Roadway improvements;
- Storm water management facilities;
- Water and sewer facilities, including connection charges;
- Reclaimed water facilities;
- Landscaping and irrigation in public rights of way;
- Entrance features;
- Undergrounding differential cost of electric utilities; and
- Soft costs and contingencies

STATE OF FLORIDA )  
 ) SS:  
COUNTY OF BROWARD )

The foregoing instrument was acknowledged before me by means of ☐ physical presence or ☐ online notarization, this \_\_\_\_\_ day of \_\_\_\_\_, 2023, by Scott A. Schuhle, a Vice President of U.S. Bank Trust Company, National Association, as Trustee, who acknowledged that he did so sign said instrument as such officer for and on behalf of said corporation; that the same is his free act and deed as such officer, and the free act and deed of said corporation; that he appeared before me on this day in person and acknowledged that he, being thereunto duly authorized, signed, for the uses and purposes therein set forth. He is personally known to me or produced \_\_\_\_\_ as identification.

[NOTARIAL SEAL]

Notary: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
NOTARY PUBLIC, STATE OF \_\_\_\_\_  
My commission expires \_\_\_\_\_

**EXHIBIT B**  
[FORM OF SERIES 2023 BOND]

**R-1** \$ \_\_\_\_\_

**UNITED STATES OF AMERICA**  
**STATE OF FLORIDA**  
**COUNTY OF ST. LUCIE**  
**CITY OF PORT ST. LUCIE**  
**VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**  
**SPECIAL ASSESSMENT BOND, SERIES 2023**  
**(ASTOR CREEK PHASE ONE ASSESSMENT AREA)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issuance</u>	<u>CUSIP</u>
_____ %			92337N

Registered Owner:-----Cede & Co.-----

Principal Amount:--

KNOW ALL PERSONS BY THESE PRESENTS that the Verano #4 Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, upon presentation and surrender hereof (except while the herein defined Series 2023 Bonds are in book-entry only form) at the designated corporate trust office of U.S. Bank Trust Company, National Association, in Fort Lauderdale, Florida, as paying agent (said U.S. Bank Trust Company, National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent"), the Principal Amount set forth above (with interest thereon at the Interest Rate per annum set forth above, computed on 360-day year of twelve 30-day months), said principal payable on the first day of May of each year commencing May 1, 2024, in lawful money of the United States of America. Interest on this Bond is payable by check or draft of the Paying Agent made payable to the registered owner and mailed on each May 1 and November 1 (collectively, each an "Interest Payment Date"), commencing November 1, 2023 to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank Trust Company, National Association, as registrar (said U.S. Bank Trust Company, National Association and any successor registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each Interest Payment Date or the date on which the principal of a Bond is to be paid (the "Record Date"). Such interest shall be payable from the most recent Interest Payment Date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to November 1, 2023, in which case from the date of initial delivery, or unless the date of authentication hereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of

such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in the Indenture (defined below). Any capitalized term used in this Bond and not otherwise defined shall have the meaning ascribed to such term in the Indenture.

THE SERIES 2023 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, THE OTHER DISTRICTS, ST. LUCIE COUNTY, FLORIDA (THE "COUNTY"), THE CITY OF PORT ST. LUCIE, FLORIDA (THE "CITY"); THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2023 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2023 SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE SERIES 2023 BONDS, EXCEPT WHERE ANY SUCH ACTION HAS BEEN DELEGATED BY THE ISSUER TO THE CENTER DISTRICT, ACTING AS ADMINISTRATION DISTRICT, ON BEHALF OF THE ISSUER. THE SERIES 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE OTHER DISTRICTS, THE COUNTY, THE CITY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by execution of the Trustee, or such other authenticating agent as may be appointed by the Trustee under the Indenture, of the certificate of authentication endorsed hereon.

This Bond is one of an authorized issue of Series 2023 Bonds of the Verano #4 Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the "Act"), Ordinance No. 05-21 of the City Council of the City of Port St. Lucie, Florida (the "City Council") enacted on April 25, 2005, as such ordinance was amended by the City Council on February 13, 2006, as further amended by the City Council on June 14, 2021, designated as "Verano #4 Community Development District Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area)" (the "Series 2023 Bonds"), in the aggregate principal amount of \_\_\_\_\_ MILLION \_\_\_\_\_ HUNDRED \_\_\_\_\_ THOUSAND AND 00/100 DOLLARS (\$ \_\_\_\_\_ .00) of like date, tenor and effect, except as to number. The Series 2023 Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay the costs of constructing and acquiring a portion of the Astor Creek Phase One Project (as defined in the herein referred to Indenture). The Series 2023 Bonds shall be issued as fully registered bonds in authorized denominations, as set forth in the Indenture. The Series 2023 Bonds are issued under and secured by a Master Trust Indenture dated as of June 1, 2015 (the "Master Indenture"), by and among the Trustee and the Districts, as amended and supplemented by an Eleventh Supplemental

Trust Indenture dated as of March 1, 2023 (the "Eleventh Supplemental Indenture" and together with the Master Indenture, the "Indenture"), by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida.

Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2023 Bonds issued under the Indenture, the operation and application of the Series 2023 Reserve Account within the Reserve Fund and other Funds and Accounts (each as defined in the Indenture) charged with and pledged to the payment of the principal of and the interest on the Series 2023 Bonds, the levy and the evidencing and certifying for collection, of the Series 2023 Special Assessments, the nature and extent of the security for the Series 2023 Bonds, the terms and conditions on which the Series 2023 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Indenture, the conditions under which such Indenture may be amended without the consent of the registered owners of the Series 2023 Bonds, the conditions under which such Indenture may be amended with the consent of the registered owners of a majority in aggregate principal amount of the Series 2023 Bonds outstanding, and as to other rights and remedies of the registered owners of the Series 2023 Bonds.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the City, the County, the State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the City, the County, the State or any other political subdivision thereof, for the payment of the principal of and interest on this Bond or the making of any other sinking fund and other payments provided for in the Indenture, except for Series 2023 Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the owner hereof assents to all the provisions of the Indenture.

This Bond is payable from and secured by Series 2023 Pledged Revenues, as such term is defined in the Indenture, all in the manner provided in the Indenture. The Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2023 Special Assessments to secure and pay the Series 2023 Bonds.

The Series 2023 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Series 2023 Bonds shall be made on the dates specified below. Upon any redemption of Series 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2023 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized

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Denominations of principal) over the remaining term of the Series 2023 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2023 Bonds in any year. In the event of a redemption or purchase occurring less than forty-five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Optional Redemption

The Series 2023 Bonds are subject to redemption prior to maturity at the option of the Issuer, as a whole or in part, at any time, on or after May 1, 20XX (less than all Series 2023 Bonds to be selected by lot), at a Redemption Price equal to the principal amount of the Series 2023 Bonds to be redeemed, plus accrued interest to the redemption date.

Mandatory Sinking Fund Redemption

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2023 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
-------------	---

\*Maturity

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2023 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

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<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2023 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
-------------	---

\*Maturity

The Series 2023 Bonds maturing on May 1, 20XX are subject to mandatory sinking fund redemption from the moneys in the Series 2023 Sinking Fund Account on May 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a redemption price of 100% of their principal amount plus accrued interest to the date of redemption. Such principal amounts shall be reduced as specified by the Issuer by the principal amount of any Series 2023 Bonds redeemed pursuant to optional or extraordinary mandatory redemption as set forth above or purchased and cancelled pursuant to the provisions of the Indenture.

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<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
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\*Maturity

Extraordinary Mandatory Redemption in Whole or in Part

The Series 2023 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below, where a partial redemption must occur on a Quarterly Redemption Date), at an extraordinary mandatory redemption price equal to 100% of the principal amount of the Series 2023 Bonds to be redeemed, plus interest accrued to the redemption date.

(i) from Series 2023 Prepayment Principal deposited into the Series 2023 Prepayment Subaccount of the Series 2023 Bond Redemption Account and from amounts in the Series 2023 Reserve Account in excess of the Series 2023 Reserve Requirement, as described in Section 4.01(f) of the Eleventh Supplemental Indenture following the payment in whole or in part of Series 2023 Special Assessments on any assessable lands within the Astor Creek Phase One Assessment Area in accordance with the provisions of Section 4.06 of the Eleventh Supplemental Indenture.

(ii) from moneys, if any, on deposit in the Series 2023 Funds, Accounts and subaccounts in the Funds and Accounts (other than the Series 2023 Rebate Fund and the Series 2023 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2023 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) from any funds remaining on deposit in any of the Series 2023 Acquisition and Construction Account not otherwise reserved to complete the Astor Creek Phase One Project (including any amounts transferred from the Series 2023 Reserve Account) all of which have been transferred to the Series 2023 General Redemption Subaccount of the Series 2023 Bond Redemption Account.

Except as otherwise provided in the Indenture, if less than all of the Series 2023 Bonds subject to redemption shall be called for redemption, the particular such Series 2023 Bonds or portions of such Series 2023 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

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books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Series 2023 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Series 2023 Bond or Series 2023 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. Every Series 2023 Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2023 Bonds.

The Issuer, the Trustee, the Paying Agent and the Registrar shall deem and treat the person in whose name any Series 2023 Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such Series 2023 Bond shall be overdue) for the purpose of receiving payment of or on account of the principal of and interest on such Series 2023 Bond as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Series 2023 Bond to the extent of the sum or sums so paid, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Series 2023 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

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Notice of each redemption of the Series 2023 Bonds is required to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to each Registered Owner of the Series 2023 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the Series 2023 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2023 Bonds or such portions thereof on such date, interest on such Series 2023 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2023 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2023 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for three (3) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption shall be paid to the Issuer, thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the Issuer deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any the Series 2023 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of such Series 2023 Bonds as to the Trust Estate with respect to the Series 2023 Bonds shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

The Issuer shall keep books for the registration of the Series 2023 Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Indenture, the Series 2023 Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the

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IN WITNESS WHEREOF, Verano #4 Community Development District has caused this Bond to be signed by the facsimile signature of the Chairperson/Vice Chairperson of its Board of Supervisors and a facsimile of its seal to be imprinted hereon, and attested by the facsimile signature of the Secretary of its Board of Supervisors, all as of the date hereof.

VERANO #4 COMMUNITY DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Chairperson/Vice Chairperson  
Board of Supervisors

(SEAL)  
Attest:

By: \_\_\_\_\_  
Secretary, Board of Supervisors

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**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Series 2023 Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: \_\_\_\_\_

U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

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**ABBREVIATIONS**

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common  
TEN ENT - as tenants by the entireties  
JT TEN - as joint tenants with rights of survivorship and  
not as tenants in common

UNIFORM TRANSFER MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_  
(Cust) (Minor)

Under Uniform Transfer to Minors Act \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in the above list.

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**STATEMENT OF VALIDATION**

This Bond is one of a series of Series 2023 Bonds which were validated by judgment of the Circuit Court of the Nineteenth Judicial Circuit of Florida, in and for St. Lucie County, Florida, rendered on the 26<sup>th</sup> day of May, 2015.

VERANO #4 COMMUNITY DEVELOPMENT  
DISTRICT

By: \_\_\_\_\_  
Chairperson/Vice Chairperson  
Board of Supervisors

(SEAL)

Attest:

By: \_\_\_\_\_  
Secretary/Assistant Secretary  
Board of Supervisors

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**ASSIGNMENT AND TRANSFER**

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

\_\_\_\_\_  
(please print or typewrite name and address of assignee)  
\_\_\_\_\_

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

\_\_\_\_\_  
Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Signature Guarantee:

\_\_\_\_\_  
**NOTICE:** Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company

\_\_\_\_\_  
**NOTICE:** The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

\_\_\_\_\_  
Please insert social security or other identifying number of Assignee.

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EXHIBIT C

FORMS OF REQUISITIONS

VERANO #4 COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(ASTOR CREEK PHASE ONE ASSESSMENT AREA)

(Acquisition and Construction)

The undersigned, a Responsible Officer of the Verano #4 Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the Districts to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of June 1, 2015, as supplemented by that certain Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number:
- (B) Identify Acquisition Agreement, if applicable:
- (C) Name of Payee pursuant to Acquisition Agreement:
- (D) Amount Payable:
- (E) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments):
- (F) Account from which a disbursement is to be made:

*Series 2023 Acquisition and Construction Account of the Acquisition and Construction Fund.*

The undersigned hereby certifies that:

- 1. obligations in the stated amount set forth above have been incurred by the District;
- 2. each disbursement set forth above is a proper charge against the Series 2023 Acquisition and Construction Account described in (F) above; and
- 3. each disbursement set forth above was incurred in connection with the Cost of the Astor Creek Phase One Project.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive

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VERANO #4 COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(ASTOR CREEK PHASE ONE ASSESSMENT AREA)

(Costs of Issuance)

The undersigned, a Responsible Officer of the Verano #4 Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the Districts to U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of June 1, 2015, as supplemented by that certain Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (collectively, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

- (A) Requisition Number:
- (B) Amount Payable:
- (C) Purpose for which paid or incurred: Costs of Issuance:
- (D) Fund or Account and subaccount, if any, from which disbursement to be made:

*Series 2023 Costs of Issuance Account of the Acquisition and Construction Fund*

The undersigned hereby certifies that:

- 1. this requisition is for Costs of Issuance payable from the Series 2023 Costs of Issuance Account that have not previously been paid;
- 2. each disbursement set forth above is a proper charge against the Series 2023 Costs of Issuance Account ;
- 3. each disbursement set forth above was incurred in connection with the issuance of the Series 2023 Bonds; and
- 4. each disbursement represents a cost of issuance which has not previously been paid.

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

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payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

VERANO #4 COMMUNITY  
DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Responsible Officer

Date: \_\_\_\_\_

DISTRICT ENGINEER'S APPROVAL  
FOR NON-COST OF ISSUANCE

The undersigned District Engineer hereby certifies that this disbursement is for the Cost of the Astor Creek Phase One Project and is consistent with: (i) the Acquisition Agreement; (ii) the report of the District Engineer, as such report shall have been amended or modified; and (iii) such disbursement is a proper charge against the Series 2023 Acquisition and Construction Account.

\_\_\_\_\_  
District Engineer

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The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Attached hereto are originals or copies of the invoice(s) from the vendor of the services rendered with respect to which disbursement is hereby requested.

VERANO #4 COMMUNITY DEVELOPMENT  
DISTRICT

By: \_\_\_\_\_  
Responsible Officer

Date: \_\_\_\_\_

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**EXHIBIT D  
FORM OF INVESTOR LETTER**

[Date]

FMSBonds, Inc.  
20660 W. Dixie Highway  
North Miami Beach, FL 33180

Re: \$ \_\_\_\_\_ Verano #4 Community Development District Special Assessment  
Bonds, Series 2023 (Astor Creek Phase One Assessment Area)

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the "Investor") of \$ \_\_\_\_\_ of the above-referenced Bonds [state maturing on May 1, \_\_\_\_\_, bearing interest at the rate of \_\_\_\_% per annum and CUSIP #] (herein, the "Investor Bonds").

The undersigned acknowledges that the Bonds were issued for the purpose of providing a portion of the funds necessary to finance the acquisition and construction of certain public infrastructure described in the herein defined Offering Document (the "Issuer"). The undersigned further acknowledges that the Bonds, which include the Investor Bonds, are secured under that certain Master Trust Indenture, dated as of June 1, 2015 (the "Master Indenture") by and among the Districts and the Trustee, and an Eleventh Supplemental Trust Indenture dated as of March 1, 2023 ("Eleventh Supplement") and, collectively with the Master Indenture, the "Indenture"), between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), which creates a security interest in the trust estate described therein (the "Security") for the benefit of the Owners of the Bonds.

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.

2. The Investor meets the criteria of an "accredited investor" as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

☐ a bank, registered broker, dealer or investment adviser (or investment adviser exempt from registration under Section 203(l) or (m) within the meaning of the Investment Advisers Act of 1940), insurance company, registered investment company, business development company, small business investment company; or rural business investment company;

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Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

Very truly yours,

[Name], [Type of Entity]

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Or

\_\_\_\_\_  
[Name], an Individual

☐ an employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the employee benefit plan has total assets in excess of \$5 million;

☐ an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust partnership, or limited liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

☐ a business in which all the equity owners are "accredited investors";

☐ a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;

☐ a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;

☐ a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;

☐ an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;

☐ a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for "accredited investor" status;

☐ a "family office" with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or

☐ a "family client" of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2023 of the Issuer and relating to the Bonds (the "Offering Document") and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

D-2

**EXHIBIT E**

**MAP OF ASTOR CREEK PHASE ONE ASSESSMENT AREA**

D-3

E-1

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**APPENDIX B**

**PROPOSED FORM OF OPINION OF BOND COUNSEL**

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FORM OF BOND COUNSEL OPINION

*Upon delivery of the Bonds (as defined below) in definitive form, Greenberg Traurig, P.A., as Bond Counsel, proposes to render its final approving opinion with respect to such Bonds in substantially the following form:*

\_\_\_\_\_, 2023

Board of Supervisors of the Verano #4  
Community Development District  
City of Port St. Lucie, Florida

\$ \_\_\_\_\_  
VERANO #4 COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(ASTOR CREEK PHASE ONE ASSESSMENT AREA)

Gentlemen:

We have acted as bond counsel in connection with the issuance by the Verano #4 Community Development District (the “Issuer”) of its \$ \_\_\_\_\_ aggregate principal amount of Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area) (the “Bonds”), issued and delivered on this date pursuant to the constitution and laws of the State of Florida, particularly, the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, and other applicable provisions of law (collectively, the “Act”) and Resolution No. 2015-05 and a Resolution of the Issuer and the Other Districts adopted by the Boards of Supervisors of the Issuer and the other Districts on April 9, 2015 and on February 16, 2023, respectively (collectively, the “Bond Resolution”). The Bonds are being issued and secured under that certain Master Trust Indenture, dated as of June 1, 2015 and that certain Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (collectively, the “Indenture”), each by and between the Issuer and U.S. Bank National Association, as trustee (the “Trustee”). Capitalized terms used herein without definitions have the meanings ascribed thereto in the Indenture.

The Bonds are being issued for the primary purpose of financing certain public infrastructure necessary to develop the Astor Creek Phase One Assessment Area.

In order to secure the payment of the Bonds, and subject to the terms of the Indenture, the Issuer has pledged to the holders of the Bonds, and granted a lien to the holders of the Bonds on the Series 2023 Pledged Revenues in the manner and priority described in the Indenture.

In connection with this opinion, we have examined the Act, certified copies of the Resolution, the Indenture, the Arbitrage Certificate, a transcript of the proceedings related to the

issuance of the Bonds and such other documents and opinions as we have deemed necessary to render this opinion, and are relying on certain findings, covenants and agreements of the Issuer set forth therein and such certified copies of the proceedings of the Issuer and the other Districts and such other documents and opinions as we have deemed necessary to render this opinion. As to the questions of fact material to our opinion, we have relied upon representations of the Issuer furnished to us, without undertaking to verify such representations by independent investigation. We have also relied upon certain certifications and representations provided by Astor Creek Development LLC, as the master developer of real property within the Astor Creek Phase One Assessment Area that is subject to Series 2023 Special Assessments comprising the Series 2023 Pledged Revenues.

Based on the foregoing, we are of the opinion that:

1. The Issuer has the power to authorize, execute and deliver the Indenture, to perform its obligations thereunder and to issue the Bonds.
2. The Indenture has been duly authorized, executed and delivered by the Issuer. The Indenture creates a valid pledge of the Series 2023 Pledged Revenues in the manner and priority described in the Indenture and constitutes a valid and binding obligation of the Issuer enforceable against the Issuer in accordance with its terms.
3. The issuance and sale of the Bonds have been duly authorized by the Issuer and, assuming the due authentication thereof, the Bonds constitute valid and binding limited obligations of the Issuer, payable in accordance with, and as limited by, the terms of the Indenture.
4. The Internal Revenue Code of 1986, as amended (herein, the “Code”) includes requirements which the Issuer must continue to meet after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes. The failure of the Issuer to meet these requirements may cause interest on the Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The Issuer has covenanted in the Indenture to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds.

Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated in the following paragraph, interest on the Bonds is excludable from the gross income of the owners thereof for federal income tax purposes. Furthermore, interest on the Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Bonds is not excluded from the determination of adjusted financial statement income.

In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Bonds in order that interest on the Bonds not be included in gross income for federal income tax purposes.

The Bonds and interest thereon are not subject to taxation under the laws of the State of Florida except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220.



We express no opinion regarding other federal or any state tax consequences resulting from the ownership, receipt or accrual of interest on, or disposition of the Bonds.

In rendering the foregoing opinions we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

The opinions set forth herein are subject to state and federal laws relating to bankruptcy, insolvency, reorganization, moratorium and similar laws, and to equitable principles, affecting the enforcement of creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

We wish to call to your attention that the Bonds are limited obligations of the Issuer payable solely from the Series 2023 Pledged Revenues and neither the full faith and credit nor the taxing power of the Issuer, the other Districts, the City of Port St. Lucie, Florida, St. Lucie County, Florida, the State of Florida or any other political subdivision thereof is pledged as security for the payment of the Bonds. The Bonds do not constitute an indebtedness of the Issuer within the meaning of any constitutional or statutory provision or limitation.

Respectfully submitted,

GREENBERG TRAURIG, P.A.

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## **APPENDIX C**

### **SUPPLEMENTAL ENGINEER'S REPORT**

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**SUPPLEMENTAL ENGINEER'S REPORT**

**FOR**

**CERTAIN PUBLIC INFRASTRUCTURE  
SERVING THE  
VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**

**Prepared for:  
The Board of Supervisors  
Verano #4 Community Development District**

**Prepared by  
Engineer:**



2090 Palm Beach Lakes Blvd, Suite 600  
West Palm Beach, Florida 33409

**Final for Adoption  
February 16, 2023**

**Revised  
March 2, 2023**

## EXECUTIVE SUMMARY

This report supplements the Master Engineer's Report for Public Infrastructure Serving the Verano Community Development Districts dated November 17, 2005, as amended on March 5, 2015, and may be further amended from time to time (the "Master Report"). Any capitalized term used herein and not otherwise defined shall have the meaning ascribed to such term in the Master Report. The Master Report sets forth information relating to the Public Infrastructure needed to serve the Verano development (the "Development") to be located within the boundaries of the Verano Community Development Districts ("Districts"), which are comprised of six separate community development districts (Center CDD, CDD #1, CDD #2, CDD #3, CDD #4 and CDD #5). The lands within Districts comprise approximately 3,061.84 acres of land located entirely within the City of Port St. Lucie, St. Lucie County, Florida and lying within portions of Sections 28, 29, 31, 32, 33, 34 and 35, Township 36 South, Range 39 East and Sections 3, 4, 5 and 6, Township 37 South, Range 39 East.

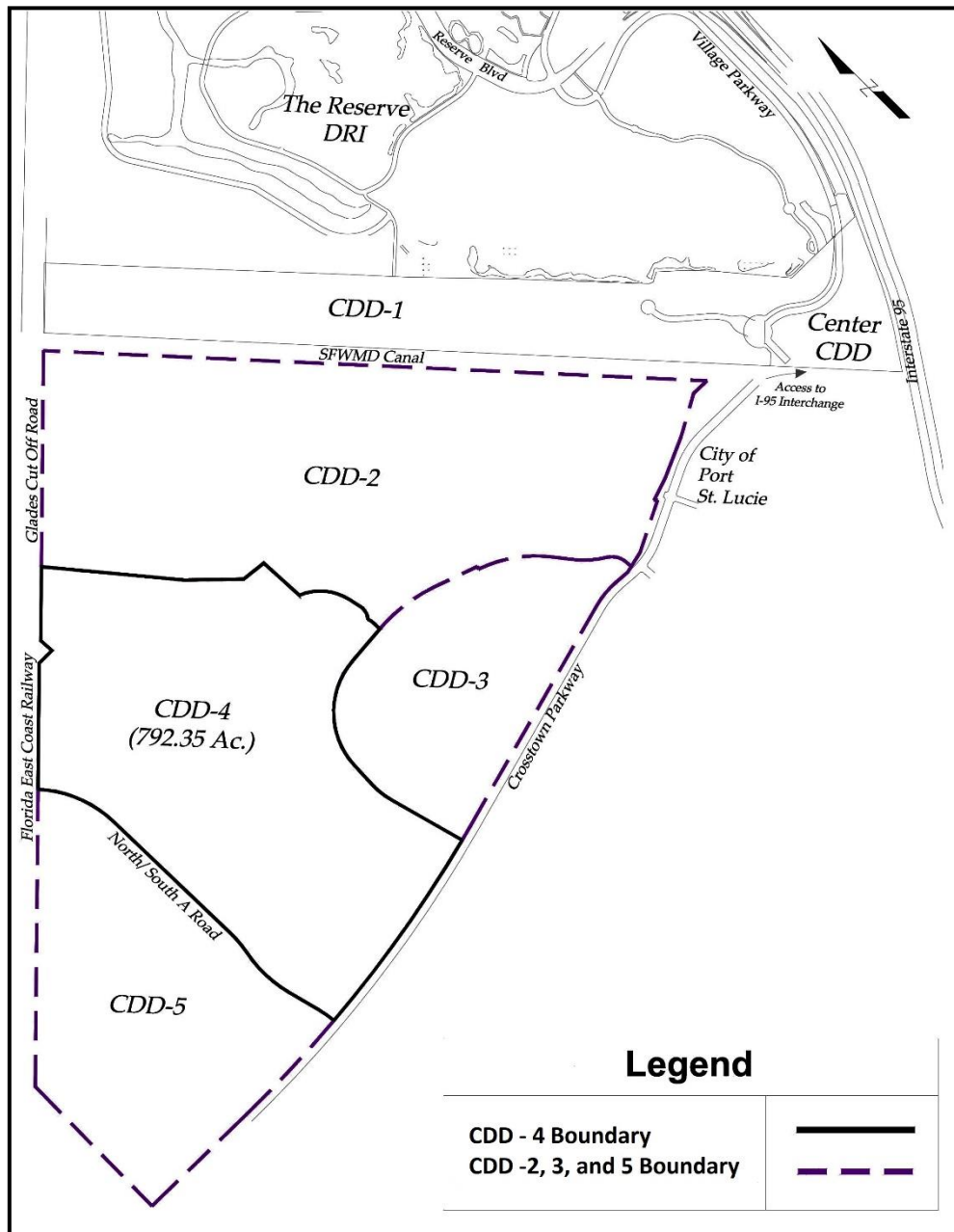
In addition, the Districts are located within a City of Port St. Lucie-approved Development of Regional Impact (DRI). This Public Infrastructure is referred to in the Master Report and herein as "Public Infrastructure" and the term includes all public improvements within and outside the boundaries of the Districts. It is understood that offsite Public Infrastructure are the types of improvements listed in the conditions of approval in the DRI development order.

Public Infrastructure is expected to be implemented in phases. Each of the individual CDDs (or an identified CDD on behalf of another CDD) will also construct or acquire Public Infrastructure for the benefit of the landowners within the Districts. Currently, only those improvements that are determined to be eligible for tax-exempt financing will be financed by the Districts. **Figure 1, Verano CDD Proximity Map**, highlights the location of each of the CDDs in relation to the other CDD's comprising the overall Development.

CDD #4 ("the District"), as currently constituted, contains approximately 792.345 acres. Within the boundaries of the District there are multiple existing and planned encumbrances upon certain lands within the District, including: 1) overhead transmission line easements in favor of Florida Power and Light, 2) a utility easement in favor of the City of Port St. Lucie Utility Services Department for the installation of public utilities, including water and sewer transmission lines, 3) a right-of-way reservation for North/South Road A as required by the DRI development order, and 4) a reservation for a future City of Port St. Lucie park and trail system. These encumbrances total approximately 114.383 acres and are primarily situated along the southwesterly and westerly boundaries of the District and result in a net developable area within the District boundaries of approximately 677.962 acres. Refer to **Appendix A, CDD #4 Sketch and Legal Description**, for more information regarding existing encumbrances. In addition, due to the recent internal boundary revisions between the various CDDs (2021) as reflected in **Appendix A**, and the patterns and sequencing of development within the overall Development, out of both necessity and prudent land planning, any land development within the District will require utilization and improvements constructed upon approximately 25.267 acres of land which lie within CDD #2.

Such improvements include, but are not necessarily limited to, the construction of the entrance road (comprising approximately 4.793 acres), and northeasterly portion of what is described as Water Management Tract #1 – consisting of both lake and lake maintenance easement (comprising approximately 20.474 acres). These two acreage additions which will contain Public Infrastructure increase the total developable land attributable to the District to 703.229 acres.

**Figure 1**  
**Verano CDD Proximity Map**



Further, although the Public Improvements are located within CDD #2, the benefits provided by these Public Infrastructure improvements are inured exclusively to lands within the District, therefore one hundred percent of the construction costs will be assigned to any development within the District. A proportional share of these costs attributable to the Astor Creek Phase 1 Project are included in the estimated costs of the project discussed later in this report.

The District and the Master Developer (as herein defined) have begun the process of developing lands within the District to be known as the Astor Creek Country Club. The Astor Creek Country Club is a unique, blended development of shared public and private infrastructure each co-dependent upon the other for the functional benefit of both the future residents and those of the private Country Club situated therein.

The Astor Creek Country Club is to contain 901 single family residential lots, with supporting ancillary facilities provided by the Master Developer including a private championship golf course, clubhouse amenities and recreation area. It is anticipated that the project will be developed in four (4) phases, Phase 1, 2, 3 and 4. Construction of the first phase of the Astor Creek Country Club development (the “Astor Creek Phase 1 Project”) as described in more detail in the sections that follow - including master Public Infrastructure, certain neighborhood Public Infrastructure, and Developer (as herein defined) funded private infrastructure consisting of the supporting the golf course and club facilities - commenced in January 2022, and is expected to be complete by April 2023. Ultimate build-out for the Astor Creek Country Club development is expected to be complete by the end of 2031. **Table 1, Astor Creek Country Club Phasing Plan**, reflects the anticipated unit counts and lot sizes for each phase of the Astor Creek Country Club development.

**Table 1**  
**Astor Creek Country Club Phasing Plan**

Project Phase	Platted Width of Lot (feet)				Plan Totals
	50	60	70	80	
Phase 1	53	93	64	35	245
Phase 2	0	217	0	0	217
Phase 3	0	252	0	0	252
Phase 4	0	187	0	0	187
<b>Project Total</b>	<b>53</b>	<b>749</b>	<b>64</b>	<b>35</b>	<b>901</b>

At the present time, the District is contemplating the issuance of bonds to finance the acquisition and construction of components of the Public Infrastructure for the Astor Creek Phase 1 Project needed within the District and CDD #2 to serve a portion of the developable lands located within the District.

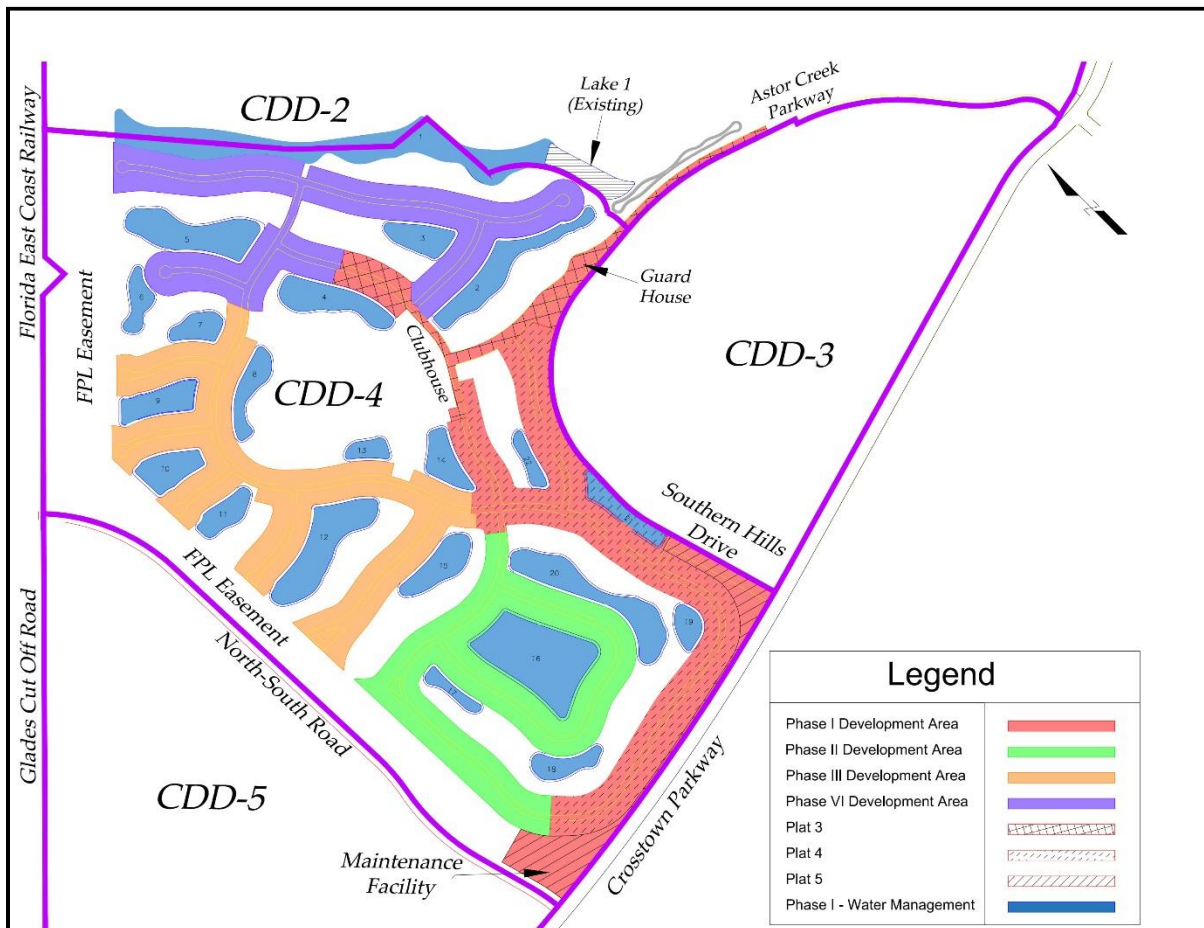
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The components of the Astor Creek Phase 1 Project are included within the Public Infrastructure improvements described in the Master Report. It is expected that the Public Infrastructure needed for the remainder of CDD #2, CDD #4 and CDD #5 will be funded by the respective CDD serving as the “Issuer” and/or funded by the Master Developer, or as applicable, affiliated developers as, and when, such improvements are required to serve the development within such Districts.

The capital improvement plan contained in the Master Report as supplemented by this report reflects the present intentions of the District with respect to the Public Infrastructure for a portion of the Astor Creek Country Club the majority of which is also within the boundaries of Verano South PUD 1 - Pod G - Plat No.’s 3, 4, and 5 and preliminary Plat 6 within the District (effectively the “Astor Creek Phase 1 Project Area”). However, the Astor Creek Phase 1 Project may be modified in the future. Upon completion of the Astor Creek Phase 1 Project, approximately 245 residential units will be served by the planned Public Infrastructure and located in Plats 3 and 4 within the District. **Figure 2, Astor Creek Country Club Phase Location Plan**, depicts the anticipated locations of Phases 1 through 4 of the Astor Creek Country Club development.

**Figure 2**  
**Astor Creek Country Club Phase Location Plan**



## ASTOR CREEK PHASE 1 PROJECT

The Astor Creek Phase 1 Project area within the District consists of approximately 254.987 acres of the total 792.345 acres of the District. The improvements comprising the Astor Creek Phase 1 Project are distributed within the boundary of Verano South PUD 1 - Pod G and encompass; 1) the entirety of recorded Verano South – Pod G - Plat No. 3 (“Plat 3”) consisting of 25.064 acres, 2) the entirety of Verano South – Pod G - Plat No. 4 (“Plat 4”) consisting of 78.370 acres which includes water management tract (“WMT”) and lake maintenance easement (“LME”) number (21), 3) the entirety of recorded Verano South Pod G - Plat No. 5 (“Plat 5”) consisting of 21.286 acres which includes the right-of-way for Southern Hills Drive, 4) the various enumerated stormwater management system components designated as WMTs and LMEs (2-8, 11-15, 17-20 & 22) of preliminary Verano South – Pod G - Plat 6 (“Plat 6”) comprising approximately 97.579 acres distributed throughout the planned platted area, 5) the water management system components designated as WMT and LME numbers (1, 9-10 & 16) to be constructed on un-platted lands within the District designated for future development phases and comprising approximately 44.029 acres, and 6) the water management system components located in CDD #2 designated as WMT and LME number (1) and comprising approximately 20.747 acres. The total of stormwater management system components to be constructed on lands yet to be platted comprises approximately 64.776 acres. Including the lands within CDD #2, the Astor Creek Phase 1 Project Area is 280.254 acres.

For the purposes of this report, that portion of the main entrance road, “Astor Creek Parkway”, lying within CDD #2 (approximately 4.793 acres) – extending from the terminus of the Verano Parkway, but which exclusively serves the entirety of the District, is included in the Astor Creek Phase 1 Project Area. The portion of the roadway is considered master Public Infrastructure and the associated construction cost will be apportioned to all development within the District in accordance with the methodology discussed later in this report. The entire portion of the Astor Creek Parkway lying within CDD #2 is included within the limits of Plat 3. Similarly, for the purposes of this report, that portion of the master surface water management system components to be constructed on the un-platted land referred to as WMT number (1), (34.144 acres) - the approximate easterly 20.474 acres of which lie within CDD #2, is considered master Public Infrastructure, and is included in the Astor Creek Phase 1 Project Area. Since there are no external drainage connections from CDD #2 into WMT number (1), and by its design, serves to function for the benefit of the lands within the District, the associated construction cost will be apportioned to all development within the District in accordance with the methodology discussed later in this report.

The Astor Creek Phase 1 Project will be constructed in a single construction phase. This construction phasing differs from the CDD Phasing set forth in the Master Report. The Astor Creek Phase 1 Project will include the neighborhood Public Infrastructure to support 245 residential units distributed between Plat 3 (21 units) and Plat 4 (224 units). The master Public Infrastructure – including the Astor Creek Parkway and the elements of the water management system necessary to serve all development within the District will also be constructed as a part of the Astor Creek Phase 1 Project.

**Table 2, Phase 1 Project Units, Acreage & Assessable Area**, depicts the Astor Creek Phase 1 Project Area and the units within each subsequent construction phase by plat that the costs of the proportionately shared public infrastructure being constructed during Astor Creek Phase 1 Project may be assigned. Please refer to back to **Table 1, Astor Creek Country Club Phasing Plan**, and **Figure 2, Astor Creek Country Club Phase Location Plan**, for additional information on the unit allocation and phasing layout for the overall Astor Creek Country Club Development. **Appendix B, Astor Creek Phase 1 Project Assessable Area Legal Description** provides the plat references which are specific and relevant to the assessable area of the Astor Creek Phase 1 Project.

**Table 2**  
**Phase 1 Project Units, Acreage & Assessable Area**

Phase #	Plat #	Land Use	Units	Gross Acreage	Project Acres	Estimated Assessable Acreage
1	3	Residential	21	25.064	6.589 <sup>(1)</sup>	5.396
1	4	Residential	224	78.370	73.894 <sup>(2)</sup>	60.791
1	5	Crosstown Pkwy Berm	0	21.286	10.977 <sup>(3)</sup>	0
1	6	Clubhouse	50/120 <sup>(4)</sup>	13.985	0	0
1	6	Golf Course	0	195.072 <sup>(5)</sup>	0	0
1	4, 6 & Future	WMTs / LMEs	0	162.356 <sup>(6)</sup>	166.832 <sup>(7)</sup>	0
1	3, 4 & 5	Public Rights-of-Way	0	0	16.753 <sup>(8)</sup>	0
1	3 & 4	Common / Open Space	0	0	5.209 <sup>(9)</sup>	0
<b>Sub-Total Phase 1</b>		<b>Plats 3, 4, 5 &amp; 6 &amp; Un-Platted Lands</b>	<b>245</b>	<b>496.133</b>	<b>280.254</b>	<b>66.187</b>
<b>Phase 2</b>	7 <sup>(*)</sup>	7 Residential	217	62.630	62.630	51.685
<b>Phase 3</b>	8 <sup>(*)</sup>	8 Residential	252	72.731	72.731	60.022
<b>Phase 4</b>	9 <sup>(*)</sup>	9 Residential	187	53.971	53.971	44.540
<b>N/A</b>	-/-	Utility Easements / RW Reservations / Park	0	114.383	0	0
<b>N/A</b>	6A & Future	Common / Open Space	0	17.765	17.765	0
<b>Totals</b>			<b>901/1021<sup>(4)</sup></b>	<b>817.562<sup>(10)</sup></b>	<b>487.351</b>	<b>222.434</b>

- Notes: (1) Residential area of Plat 3 – excludes common rights-of-way for Astor Creek Parkway.  
(2) Excludes WMT #21.  
(3) Landscape Berm along the Crosstown Parkway - excludes GC maintenance and Southern Hills Drive R/W.  
(4) Value of Equivalent Residential Units (ERU) for utilities/roadway assigned to Clubhouse Facilities to pro-rata share of public infrastructure costs assigned to Master Developer – not assessable units.  
(5) Golf course area only – excludes WMT's depicted within Plat 6.  
(6) Acreage excludes WMT #21 (included in Plat 4 gross acreage in Row 2, above)  
(7) Surface water management tracts - including WMT #21 and that portion of WMT #1 (20.474 acres) located within CDD #2).  
(8) Included Southern Hills Drive (Plat 5) and roadway segments common to all lots – including 4.793 acres of Astor Creek Parkway within CDD #2.  
(9) Includes open space areas adjacent to Astor Creek Parkway in Plats 3 and 4.  
(10) Total Includes 25.267 acres of CDD #2 utilized for the Astor Creek Country Club Project.  
(\*) Areas shown for future phases include anticipated lot areas and rights-of-way – excluding WMT's.

Public Improvements, as defined in the Master Report, and as applicable to the Astor Creek Phase 1 Project consist of the following Public Infrastructure:

- Roadways (*only public roadway external to a controlled point of entry*)
  - Roadbed & Surface Course
  - Sidewalks
  - Pavement Marking and Signage
- Stormwater Management
  - Lake Excavation and Bank Stabilization
  - Stormwater Collection System
  - Stormwater Conveyance System
  - Curbs & Gutter
  - Water Control Structures
  - Swales
  - Berms
  - Mass Grading of Public Project Improvement Areas (*excluding lots*)
- Utilities
  - Potable Water Distribution Lines and Appurtenances
  - Sanitary Sewer Collection System
  - Sanitary Sewer Transmission System
  - Irrigation Quality (IQ) Reuse System and Appurtenances
  - FPL Cost Differential for Undergrounding of Power Lines
  - Impact Fees Prepaid on Behalf of the CDD
- Streetscape & Landscaping (*within public rights-of-way or publicly dedicated areas*)
  - Entry Features
  - Common Area Landscaping
  - Berms
  - Public Rights-of-Way and Street Trees
- Professional Services and Miscellaneous Costs
  - Professional Fees
  - Construction Engineering and Inspection
  - Materials Testing
  - Surveying
  - Permit Fees
  - Contingency

In accordance with Section VII – Report Modifications of the Master Report, additional Public Infrastructure improvements, such as amenities, may be included if such deviations or modifications do not change the overall primary objective of the Master Report. Private amenities consisting of golf courses, pools, tennis courts, clubhouses, etc., will be constructed within the Astor Creek Country Club by the Developer. Therefore, no public amenities are considered as a part of this supplemental report. For this project, there are no Public Improvements which deviate from those listed in the Master Report.

There is Public Infrastructure that will be shared with this and future phases of development and the golf club, including; 1) a main entrance road is being constructed to serve the entirety of the District, referred to as the Astor Creek Parkway, 2) a secondary and emergency access road, Southern Hills Drive, provides secondary access for the residential portions of entirety of both CDD #3 and the District, and 3) a construction and landscaping of a berm to separate the developed areas from the adjacent arterial roadway, the Crosstown Parkway.

Additionally, certain Public Infrastructure that serves the entirety of the District is included within the rights-of-way of the main roads such as utilities including but not limited to water lines, sewer lines, lift stations, reuse lines, and power, and, as applicable, streetlights and landscaping to support the roadway. Finally, all phases of the Development share the interconnected system of lakes, water control structures and stormwater collection and conveyance pipes which comprise the stormwater management system. While these facilities will ultimately also proportionally serve the golf course and future development phases in adjacent areas, this report does not include those costs. Instead, this report details the proportionate share of these facilities assigned to the Astor Creek Phase 1 Project.

**Table 3, Summary of Estimated Costs, Astor Creek Phase 1 Project**, indicates the costs by category for the Public Infrastructure comprising the Astor Creek Phase 1 Project expected to be funded in whole, or in part, with the proceeds of the Series 2023 Bond which will be funded in one (1) construction and acquisition fund. It is the intent of the District that the remaining components of the Public Infrastructure needed to serve the planned development in the District will be developed in future construction phases.

- For the roadways, utilities, and streetscape and landscaping, the costs are distributed to an individual construction phase or component of development as its percentage of the number of planned units for the entire area that is served by that element of infrastructure within and, as applicable, without the boundary of a specific project area.
- For the stormwater management system, the costs are distributed to an individual construction phase or component of development as its percentage of contributing acreage measured against the total contributing acreage served by the water management system within and, as applicable, without the boundary of a specific project area.

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**Table 3**  
**Summary of Estimated Costs**  
**Astor Creek Phase 1 Project**

<b>Infrastructure Category</b>	<b>Neighborhood Public Infrastructure</b>	<b>Proportional Share Master Public Infrastructure</b>	<b>Estimated Total Cost</b>
Roadways <sup>(1)</sup>	-/-	\$144,700	\$144,700
Stormwater Management <sup>(2)</sup>	\$1,582,200	\$2,361,900	\$3,944,100
Utilities <sup>(3)</sup>	\$3,052,100	\$913,500	\$3,965,800
Streetscape & Landscaping <sup>(4)</sup>	-/-	\$66,200	\$66,200
Professional Services & Miscellaneous Fees <sup>(5)</sup>	\$370,800	\$279,000	\$649,800
<b>Phase 1 Project Totals</b>	<b>\$5,005,100</b>	<b>\$3,764,300</b>	<b>\$8,770,400</b>

**Notes:**

- (1) Only roadways accessible the general public – not behind controlled point of entry.
- (2) Stormwater Management includes storm drainage system, water control structures, excavation of lakes and spreading of excavated material on public areas. It does not include grading costs associated with private lots or development areas.
- (3) Includes cost differential for undergrounding Florida Power & Light electric lines and pre-payment of impacts fees on behalf of the CDD.
- (4) Funded improvements shall be on public rights-of-way or governmentally owned land. Cost includes landscaping of privacy berms.
- (5) Professional fees are included only for those items that are to be financed by the CDD.

**Methodology of cost apportionment for the Country Club:** For the Public Infrastructure that is shared between the Astor Creek Country Club Phase 1 Project, future phases of development, and the private Country Club/Clubhouse facilities, the following methodology was used to apportion costs to the Country Club/Clubhouse equivalent to the benefits received by virtue of the construction of the Public Infrastructure in a manner consistent with preceding narrative.

- For water distribution, wastewater collection and transmission systems, and other public utility improvements, herein referred to as Utilities Infrastructure, the water and sewer flows necessary to serve the Country Club/Clubhouse facilities were evaluated based on Equivalent Residential Units (“ERUs”) by averaging the ERU’s calculated utilizing the methods contained within the American Water Works Association Manual 22 (“AWWA M-22”), and the Chapter 62-6, F.A.C, Standards for Onsite Sewage Treatment and Disposal Systems (“Chapter 62-6 FAC”) for potable water and wastewater improvements demands respectively.

AWWA M-22 provides reference materials relating various large water meters to a standard residential meter. Based upon information provided by the Master Developer and utilizing the methods contained in AWWA M-22, a three (3) inch water is necessary to serve the Country Club/Clubhouse facilities. Based upon the information contained within AWWA M-22, a 3-inch meter is the equivalent of fifteen (15) residential metered connections. Chapter 62.6 FAC provides anticipated wastewater generation from various land uses including golf courses and residential uses allowing a comparison between the wastewater flows generated by the average single-family home envisioned within the Astor Creek Country Club development and those which were calculated for the Golf Club/Clubhouse facilities. Based on Chapter 62-6 FAC, the Golf Course/Clubhouse facilities were calculated to be approximately seventy-three (73) ERU's. The average ERU for potable water and wastewater improvements was then calculated to be approximately forty-four (44) ERU – making the total demand on the master Utility Infrastructure being constructed with the Astor Creek Phase 1 Project the equivalent of 945 residential units. The percentage of the total Utility Infrastructure ERUs generated by the Country Club/Clubhouse and each of the four (4) development phases were then tabulated, and the proportionate cost share for the master public Utility Infrastructure being constructed with the Astor Creek Phase 1 Project, and which serves the entirety of the District, was assigned to the Utilities Infrastructure component for each development phase – with the Country Club/Clubhouse being assigned to the Master Developer.

- Per the Master Developer, the Astor Creek Country Club is limited to 901 memberships. During the initial development phases, or up to a period of five (5) years, the Astor Creek Country Club will allow for non-resident members. These non-resident members will access the Golf Club/Clubhouse facilities utilizing the master public Roadway Infrastructure constructed as a part of the Astor Creek Phase 1 Project. For master **Roadway and Streetscape & Landscape Infrastructure** improvements, the anticipated average daily traffic volume, or trips, generated by the various program elements featured within the Country Club/Clubhouse facilities **and** which are attributable to the non-resident, limited-duration, membership were calculated based on the methodology contained with the Institute of Traffic Engineers (“ITE”) Trip Generation Manual. The same ITE procedure was used to estimate the trip generation for the 901 planned residential units within the overall Astor Creek Country Club project. Based on the ITE method, the limited, short duration, non-resident membership use of the Roadway Infrastructure over the thirty (30) year bond repayment period generates trips on the public Roadway Infrastructure equivalent to an additional twenty-five (25) residential units - thus resulting in a total ERU count benefiting from the master public Roadway Infrastructure to be constructed with the Astor Creek Phase 1 Project equal to 926 units. The percentage of the total Roadway Infrastructure ERUs generated by the Country Club/Clubhouse and each of the four (4) development phases were then tabulated, and the proportionate cost share for the master public Roadway Infrastructure being constructed with the Astor Creek Phase 1 Project, and which serves the entirety of the District, was assigned to the Roadway Infrastructure component for each development phase – with the Country Club/Clubhouse being assigned to the Master Developer.

- Because it is considered a secondary/emergency point of ingress/egress for the residential units with this area of the Verano Development, the costs for the master public ***Roadway Infrastructure component herein referred to as Southern Hills Drive*** was apportioned on a per unit basis for the 2563 residential units within the District and CDD #3. None of the costs of this Public Infrastructure component was assigned to the Country Club/Clubhouse.
- For ***Stormwater Management Infrastructure***, the drainage areas attributable to the County Club/Clubhouse facilities and each of the four (4) development phases were calculated based upon plans and permit documents provided by the Master Developer. The percentage of contributing area attributable to the Country Club/Clubhouse and the separate development phases were then tabulated, and the proportionate cost share for the master Stormwater Management Infrastructure being constructed with the Astor Creek Phase 1 Project, and which serves the entirety of the District, was assigned to the Stormwater Management Infrastructure component for each development phase – with the Country Club/Clubhouse being assigned to the Master Developer. The percentage of the contributing Phase 1 project area assigned the Country Club/Clubhouse was calculated to be 43.66%.

The Public Infrastructure cost estimates for the Astor Creek Phase 1 Project have been updated and refined to reflect the actual project costs for items currently under construction, recent bids as applicable, certified engineer's estimates from the developer or the stated intentions of the herein defined Master Developer. Bidding and negotiation of the construction contracts for the construction the Astor Creek Phase 1 Project have been completed, and construction commenced in January 2022 and construction is expected to be substantially complete by April 2023.

Verano Development, LLC (the “Master Developer”) has provided offsite infrastructure; consisting of roadway and intersection improvements and water and sewer utility improvements including crossings of the SFWMD C-24 Canal connecting the development areas south of the C-24 Canal to the master water and sewer infrastructure constructed north of the C-24 Canal and the extensions constructed to the respective treatment plants in prior development phases, benefitting the entire Verano Development.

Astor Creek Development, LLC, an affiliate of the Master Developer, is (“the Developer”) of the Astor Creek Phase 1 Project. Upon completion of the planned public infrastructure improvements for the Astor Creek Phase 1 Project, additional Public Infrastructure required to complete or support the project, if any, will be funded and constructed by the Developer and will be considered as part of the Developer's contribution.

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## PERMITTING

Federal, State, and local permits, and site and construction plan approvals are required prior to the construction of Public Infrastructure. South Florida Water Management District (“SFWMD”) conceptual environmental resource permits for the design of the water management system serving the entire Development have been obtained, one each for the lands north and south of the SFWMD C-24 canal. A U.S. Army Corps of Engineers’ Dredge and Fill Permit has been issued for the entire Development. These permits document the preservation of onsite wetlands and wetland buffers and offsite wetland mitigation requirements for the Development. Additionally, correspondence in the SFWMD permit files indicate that threatened and endangered species and historical and archeological points of interest are not present within the Astor Creek Phase 1 Project area. A construction permit for the excavation of lakes and mass grading of the development areas within the Astor Creek Phase 1 Project (the lakes being largely contained within Plat 6 and un-platted lands) was issued October 12, 2021, by the SFWMD. This permit allows for the construction of the backbone of the overall surface water management system which will serve development within the entire District including the residential development (901 units) and the private golf course facilities. A construction permit for the site development work associated with the residential portion of the Phase 1 Project (245 units) and the golf course maintenance facility contained within Plats 3, 4 & 5 was issued by the SFWMD on December 8, 2021.

Development within the Districts is subject to the DRI Project Development Order Conditions of Approval and the existing permits unless these permits are modified and/or closed. Detailed design documents, permits, and water and sewer capacity reservations are required to construct the Public Infrastructure necessary for each component of the Development and the respective construction phases and in support of the long-term uses within the Development. At present, the Development is compliant with all conditions of the zoning ordinances applicable to the Development. Please see **Table 4-A, Federal and State Permits & Approvals**, and **Table 4-B, Local Jurisdiction Permits & Approvals**, for a detailed description of the status of permits required for the Astor Creek Phase 1 Project.

Detailed design and construction plans for Astor Creek Phase 1 Project (Plats 3, 4, & 5) and consisting of 245 residential units have been completed. These plans have been submitted to, and approved by, the City of Port St. Lucie Engineering and Utility Departments. Subdivision Plats 3, 4 and 5 have been recorded. Designated tracts within preliminary Plat 6 including the cart barn and clubhouse were recorded in May, 2022. However, the remaining portions of the area designated for Plat 6 which contain the golf course and proposed WMTs and LMEs included within the Astor Creek Phase 1 Project area remain unplatted at this time.

Phases 2, 3 and 4 of the Astor Creek Country Club project are in the beginning stages of their design phases and are anticipated to be submitted for permitting and construction approval in a timely manner as the overall project progresses. These areas make up the remaining 656 units of the total 901 units planned for development within the District.

It is our opinion that there are no technical reasons existing at this time which would prohibit the implementation of the Astor Creek Phase 1 Project as presented herein and that all permits and water and sewer capacity reservations, if any, not heretofore issued and which are necessary to effect the improvements described herein will be obtained with ordinary effort during the normal course of development.

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**Table 4-A**  
**Astor Creek Phase 1 Project Permit Status**  
**State And Federal Permits & Approvals**

Agency	Permit	Permit / [Application No.]	Area Served	Approval Date	
				Issued	Expected
Army Corp. of Engineers (ACOE)	Dredge and Fill Permit	SAJ-1994-820(IP-TKW)	CDD#1-5 & Center	March 18, 2005	—
SFWMD	Conceptual Environmental Resources	56-01648-P 56-01648-P(Mod)	CDD#2-5 CDD#2-5	September 8, 2004 January 9, 2018	—
SFWMD	Environmental Resources (Construction & Operation)	[211105-32086]/56-106231-P [210818-7161]/56-105743-P	Plat 3, 4, & 5 Plat 6 + Unplatted Lakes (Excavation / Mass Grading)	December 8, 2021 October 12, 2021	—
SFWMD	Water Use (Irrigation)	[040622-11]/56-00428-W	CDD#2-5-Ag Operations	February 8, 2006	—
SFWMD	Water Use (Dewatering)	[21819-4]/56-03901-W	Verano South – Pod G Plats 3, 4, 5 & 6 + Unplatted Lakes	January 26, 2021	—
FDEP	Water Use (Irrigation)	FLA326321 (REUSE)	Verano South – Pod G Plats 3, 4, 5 & 6	—	November 2023
FDEP	Water Distribution System	W2022-018	Verano South - Pod G Plats 3, 4, 5 & 6	April 21, 2022	—
FDEP	Wastewater Collection & Transmission System	WW2022-015	Verano South - Pod G Plats 3, 4, 5 & 6	April 21, 2022	—
FDEP	NPDES Construction Permit	FLR20EZ96-001	Verano South - Pod G Plats 3, 4, 5 & 6	December 9, 2021	—
FFWCC <sup>(1)(3)</sup>	Tortoise Relocation Permit	Not Needed	Verano South - Pod G Plats 3, 4, 5 & 6	(3)	-
FDHP <sup>(2)(3)</sup>	Archeological Survey	Not Needed	Verano South - Pod G Plats 3, 4, 5 & 6	(3)	—

Notes for Table 3-A – 2022 District #3 Project Permit Status:

- (1) FFWCC - Florida Fish and Wildlife Conservation Commission
- (2) FDHP – Florida Division of Historic Preservation
- (3) Per notation in SFWMD permit 56-105743-P dated October 12, 2021

**Table 4-B  
Astor Creek Phase 1 Project Permit Status  
Local Jurisdiction Permits & Approvals**

Agency	Permit	Permit / [Application No.]	Area Served	Approval Date	
				Issued	Expected
City of PSL	Development of Regional Impact	Resolution 03-R96	CDD#1-5 & Center	December 15, 2003	—
City of PSL	Development of Regional Impact	Resolution 12-R102	CDD#1-5 & Center	Oct. 22, 2012	—
City of PSL	Planned Unit of Development	Resolution 21-R106 (P21-071)	Verano South Pod G— Amendment #2	November 8, 2021	—
City of PSL	Engineering	P21-206	PodG - Plat 3	February 14, 2022	—
City of PSL	Engineering	P21-207	PodG—Plat 4	February 14, 2022	—
City of PSL	Engineering	P21-208	PodG—Plat 5	February 14, 2022	—
City of PSL	Engineering	P21-209 / P21-210 / P21-211	PodG—Plat 6	February 14, 2022	—
City of PSL	Utilities	11-652-36E	PodG - Plat 3	March 25, 2021	—
City of PSL	Utilities	11-652-36F	PodG - Plat 4	March 25, 2021	—
City of PSL	Utilities	11-652-36G	PodG—Plat 5	March 25, 2021	—
City of PSL	Utilities	11-652-36H	PodG—Plat 6	March 25, 2021	—
City of PSL	Site Clearing	P21-209	PodG - Plat 6	February 14, 2022	—
City of PSL	Site Clearing	P21-206 / P21-207 / P21-208	PodG - Plat 3, 4 & 5	February 14, 2022	—

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## ASTOR CREEK PHASE 1 PROJECT BENEFITS

The capital improvements for the District proposed in the adopted Master Report (which includes all components of the Astor Creek Phase 1 Project described herein) will provide special benefit to and serve all the developable real property within the Astor Creek Phase 1 Project area.

All elements of Public Infrastructure Improvements within the Astor Creek Phase 1 Project shall be on lands that are, or ultimately will be, owned by the District, or on lands owned by other units of local government, or for which the District or other unit of local government shall have a perpetual easement.

The construction and maintenance of the proposed Public Infrastructure Improvements will benefit the property for the intended use. Such benefit will equal or exceed the cost of such Public Infrastructure Improvements within the Astor Creek Phase 1 Project Area.

The District will pay the actual cost of the Public Infrastructure Improvements comprising the Astor Creek Phase 1 Project, or the fair market value, whichever is less.



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# Appendix A

## CDD #4 Sketch & Legal Description

### DESCRIPTION:

A PARCEL OF LAND LYING IN A PORTION OF SECTIONS 5 AND 6, TOWNSHIP 37 SOUTH, RANGE 39 EAST AND SECTIONS 29, 30, 31, AND 32, TOWNSHIP 36 SOUTH, RANGE 39 EAST, ST. LUCIE COUNTY, FLORIDA, IN THE CITY OF PORT ST. LUCIE, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCE** AT THE INTERSECTION OF THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF THE SOUTH FLORIDA WATER MANAGEMENT DISTRICT CANAL NUMBER C-24, AS SHOWN ON THE RIGHT-OF-WAY MAP FOR SAID CANAL NUMBER C-24, CHECKED DATED 11/25/58 AND REVISED ON 2/23/59 AND THE SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY COMPANY "FORT PIERCE CUT-OFF" TRACK AS SHOWN ON RIGHT-OF-WAY MAPS, PAGES V.3d/6 AND V.3d/7, DATED FEBRUARY 1, 1950 WITH "TRACK CORRECT" REVISION DATED 4/28/67; THENCE S.44°46'01"W., ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY, A DISTANCE OF 3776.32 FEET TO THE **POINT OF BEGINNING**; THENCE S.40°22'55" E., A DISTANCE OF 2499.07 FEET; THENCE S.46°45'48" E., A DISTANCE OF 1035.02 FEET; THENCE S.84°25'35" E., A DISTANCE OF 446.22 FEET; THENCE S.03°36'07" E., A DISTANCE OF 837.27 FEET TO A NON-TANGENT INTERSECTION WITH A CURVE CONCAVE TO THE WEST WITH A RADIUS OF 927.20 FEET, AND A RADIAL BEARING OF S.21°02'02" W. AT SAID INTERSECTION; THENCE SOUTHEASTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 55°49'03", A DISTANCE OF 903.28 FEET TO A POINT OF TANGENCY; THENCE S.13°08'55" E., A DISTANCE OF 233.14 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE WEST, WITH A RADIUS OF 290.66 FEET; THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 53°10'31", A DISTANCE OF 269.76 FEET TO A NON-TANGENT INTERSECTION WITH A CURVE CONCAVE TO THE WEST WITH A RADIUS OF 342.74 FEET, AND A RADIAL BEARING OF S.67°02'02" W. AT SAID INTERSECTION; THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 20°41'56", A DISTANCE OF 123.82 FEET TO A NON-TANGENT INTERSECTION; THENCE S.01°21'59" E., A DISTANCE OF 145.05 FEET; THENCE S.84°38'39" W., A DISTANCE OF 348.46 FEET; THENCE S.84°38'39" W., A DISTANCE OF 384.85 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHEAST, WITH A RADIUS OF 1381.00 FEET; THENCE SOUTHWESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 83°01'29", A DISTANCE OF 2001.15 FEET TO A POINT OF TANGENCY; THENCE S.01°37'10" W., A DISTANCE OF 429.02 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE EAST, WITH A RADIUS OF 1500.00 FEET; THENCE SOUTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 17°36'44", A DISTANCE OF 461.09 FEET TO A POINT OF TANGENCY;

CONTINUED ON SHEET 2

### CDD 4 SKETCH AND DESCRIPTION


REVISIONS				Prepared For:	COTLEUR AND HEARING	
No.	Date	Description	Dwn.	Last Date of Field Survey:	N/A	
				SURVEYOR'S CERTIFICATE		
				This certifies that this sketch and description was made under my supervision and meets the Standards of Practice set forth by the Florida Board of Professional Surveyors & Mappers in Chapter 5J-17.050, Florida Administrative Code, pursuant to Section 472.027, Florida Statutes.		
				Digitally signed by Gary Rager DN: c=US, o=Florida, ou=GeoPoint Surveying, ou=GeoPoint Surveying and Mapping, cn=Gary Rager, email=gar@geopointsurveying.com, Date: 2021.02.22 16:25:14 -0500		
				Gary Rager		
				Gary A. Rager		
				FLORIDA PROFESSIONAL SURVEYOR & MAPPER NO. LS4828		
				NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER		
Sheet No. 1 of 5 Sheets				GeoPoint Surveying, Inc.		
				4152 W. Blue Heron Blvd. Suite 105 Riviera Beach, FL 33404		
				Phone: (561) 444-2720 www.geopointsurvey.com Licensed Business Number LB 7768		
				Drawn: SWM	Date: 2/17/21	Data File: ~~~~
				Check: GAR	P.C.: ~~~~	Field Book: ~~~~
				Sections: 5 & 6 Twn. 37S Rng. 39E / 29, 30, 31 & 32 Twn. 36S Rng. 39E Job #: S&D_CDD4		

THENCE S.15°59'34" E., A DISTANCE OF 1409.94 FEET TO A NON-TANGENT INTERSECTION WITH A CURVE CONCAVE TO THE NORTH WITH A RADIUS OF 22918.00 FEET, AND A RADIAL BEARING OF N.15°17'24" W. AT SAID INTERSECTION; THENCE WESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°40'16", A DISTANCE OF 3868.39 FEET TO A NON-TANGENT INTERSECTION WITH A CURVE CONCAVE TO THE WEST WITH A RADIUS OF 1895.00 FEET, AND A RADIAL BEARING OF S.84°34'10" W. AT SAID INTERSECTION; THENCE NORTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 09°48'50", A DISTANCE OF 324.59 FEET TO A POINT OF TANGENCY; THENCE N.15°14'40" W., A DISTANCE OF 603.08 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE EAST, WITH A RADIUS OF 2268.00 FEET; THENCE NORTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 25°45'05", A DISTANCE OF 1019.35 FEET TO A POINT OF REVERSE CURVATURE OF A CURVE CONCAVE TO THE WEST, WITH A RADIUS OF 1998.00 FEET; THENCE NORTHERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 12°29'13", A DISTANCE OF 435.44 FEET TO A POINT OF TANGENCY; THENCE N.01°58'48" W., A DISTANCE OF 2828.10 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE TO THE SOUTHWEST, WITH A RADIUS OF 2038.00 FEET; THENCE NORTHWESTERLY, ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 41°06'58", A DISTANCE OF 1462.50 FEET TO A NON-TANGENT INTERSECTION AND A POINT ON SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY; THENCE N.44°46'01"E., ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 2206.67 FEET TO A POINT ON THE NORTH LINE OF THE NORTHEAST QUARTER (NE 1/4) OF SECTION 31, TOWNSHIP 36 SOUTH, RANGE 39 EAST; THENCE N.89°40'25" E., ALONG SAID NORTH LINE, A DISTANCE OF 312.01 FEET TO THE NORTHEAST CORNER OF SAID SECTION 31; THENCE N.04°13'20" W., ALONG THE EAST LINE OF SECTION 30, TOWNSHIP 36 SOUTH, RANGE 39 EAST, A DISTANCE OF 258.80 FEET TO A POINT ON SAID SOUTHEASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA EAST COAST RAILWAY; THENCE N.44°46'01"E., ALONG SAID SOUTHEASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1292.56 FEET TO THE **POINT OF BEGINNING.**

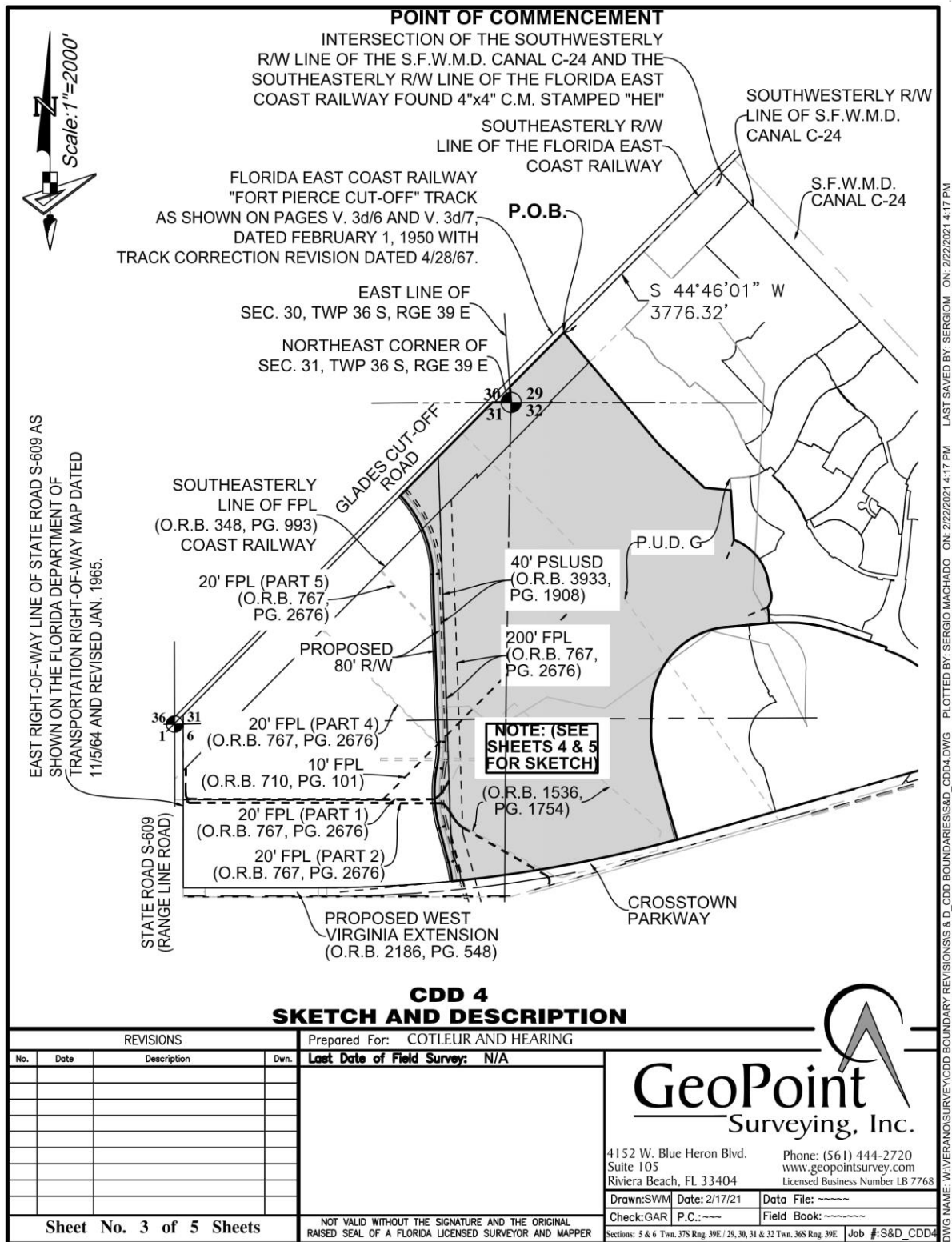
## LEGEND

P.O.B. -- Point of Beginning  
O.S.T. -- Open Space Tract  
O.R.B. -- Official Records Book  
PG(s). -- Page(s)  
R/W -- Right-of-Way  
R -- Radius  
L -- Arc Length  
D -- Delta-Central Angle  
P.U.D. -- Planned Unit Development  
PSLUSD -- Port St. Lucie Utility Services Department  
FPL -- Florida Power & Light  
Sec.-Twn.-Rng. -- Section-Township-Range  
S.F.W.M.D. -- South Florida Water Management District  
-- Section Corner

### CDD 4 SKETCH AND DESCRIPTION

REVISIONS				Prepared For: COTLEUR AND HEARING							
No.	Date	Description	Dwn.	Last Date of Field Survey: N/A							
				<div style="text-align: right;">  <h1 style="margin: 0;">GeoPoint</h1> <h2 style="margin: 0;">Surveying, Inc.</h2> </div> <p>           4152 W. Blue Heron Blvd.      Phone: (561) 444-2720            Suite 105      www.geopointsurvey.com            Riviera Beach, FL 33404      Licensed Business Number LB 7768         </p> <table border="1" style="width: 100%;"> <tr> <td>Drawn: SWM</td> <td>Date: 2/17/21</td> <td>Field File: ~~~~</td> </tr> <tr> <td>Check: GAR</td> <td>P.C.: ~~~~</td> <td>Data Book: ~~~~</td> </tr> </table>		Drawn: SWM	Date: 2/17/21	Field File: ~~~~	Check: GAR	P.C.: ~~~~	Data Book: ~~~~
Drawn: SWM	Date: 2/17/21	Field File: ~~~~									
Check: GAR	P.C.: ~~~~	Data Book: ~~~~									
Sheet No. 2 of 5 Sheets				NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER <div style="display: flex; justify-content: space-between; font-size: small;"> <span>Sections: 5 &amp; 6 Twn. 37S Rng. 39E / 29, 30, 31 &amp; 32 Twn. 36S Rng. 39E</span> <span>Job #S&amp;D_CDD4</span> </div>							











## **Appendix B**

### **Astor Creek Phase 1 Project Assessable Area Legal Description**

#### **Comprised of the following:**

##### **Plat 3**

(Lots 1 through 21 of Verano South – Pod G – Plat No. 3, a subdivision according to the plat thereof recorded in Plat Book 101, Pages 25 through 33, of the Public Records of St. Lucie County, Florida),

*Together with:*

##### **Plat 4**

(Lots 1 through 224 of Verano South – Pod G – Plat No. 4, a subdivision according to the plat thereof recorded in Plat Book 113, Pages 11 through 23, of the Public Records of St. Lucie County, Florida),

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## **APPENDIX D**

### **SUPPLEMENTAL ASSESSMENT METHODOLOGY**

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**PRELIMINARY SIXTH SUPPLEMENTAL**

**ASSESSMENT METHODOLOGY**

**FOR THE SERIES 2023 BONDS**

**VERANO #4**

**COMMUNITY DEVELOPMENT DISTRICT  
(Phase One Assessment Area Bonds)**

**February 16, 2023**

Prepared by



Governmental Management Services-South Florida, LLC  
5385 N. Nob Hill Road  
Sunrise, FL 33351

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## **1.0 Introduction**

The Verano #4 Community Development District (the “District #4”) is a local unit of special-purpose government organized and existing under chapter 190, Florida Statutes, as amended. The Districts as defined in the herein referred to Master Methodology Report have authorized the issuance of \$469,400,000 of tax-exempt bonds in multiple series (the “Bonds”) for the purpose of financing certain infrastructure improvements within the Districts. District #4, as the issuer (the “Issuer”) will issue approximately \$5,480,000 in the herein defined Series 2023 Phase One Assessment Area Bonds to pay for a portion of the cost of the total capital improvement program (the “Astor Creek Phase 1 Project” or the “Phase One Project”). The assessable lands within the District that directly benefit from the Phase One Project are located within Pod G-Plat No. 3 and Pod G-Plat No. 4 (the “Astor Creek Phase 1 Assessment Area” or the “Phase One Assessment Area”) located within the boundaries of District #4.

### **1.1 Purpose**

This report (the “Sixth Supplemental Report”) provides a supplement to the Master Assessment Methodology Report adopted by the Board of Supervisors on April 9, 2015 (the “Master Methodology Report”). The Issuer anticipates the issuance of the Series 2023 Phase One Assessment Area Bonds to finance a portion of the Astor Creek Phase 1 Assessment Area Project, described in the Supplemental Engineer’s Report for Certain Public Infrastructure Serving the Verano Community Development District #4 dated February 16, 2023 (the “Supplemental Engineer’s Report”). The Astor Creek Phase 1 Assessment Project is described in the Supplemental Engineer’s Report and provides detail of the improvements anticipated and the cost for each. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Master Methodology Report.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District anticipates the issuance of the Series 2023 Phase One Assessment Area Bonds to fund a portion of the Astor Creek Phase 1 Assessment Area Project, provide for a debt service reserve account, fund capitalized interest, and fund the cost of issuance. It is the purpose of this methodology to allocate the \$5,480,000 in debt to certain properties within the Astor Creek Phase 1 Assessment Area benefiting from the improvements financed with a portion of the Series 2023 Phase One Assessment Area Bonds, the allocation will be in accordance with the



Master Methodology Report. The Series 2023 Phase One Assessment Area Bonds will be secured by the property within the Astor Creek Phase 1 Assessment Area within District #4.

Table 1 shows the current proposed development plan as identified by the Astor Creek Development, LLC as the developer (the “Developer”) of the lands within the Astor Creek Phase 1 Assessment Area of District #4 that will be benefited by the improvements funded by the Series 2023 Phase One Assessment Area Bonds. The Supplemental Engineer’s Report outlines the public infrastructure, a portion of which is anticipated to be funded by the Series 2023 Phase One Assessment Area Bonds, which improvements are shown in Table 2. The public improvements needed to support the development of the Astor Creek Phase 1 Assessment Area are described in detail in the Supplemental Engineer’s Report and are estimated to cost \$8,770,400. Any public infrastructure to the extent not funded through the issuance of the Series 2023 Phase One Assessment Area Bonds will be contributed by the Developer. The District anticipates the issuance of the Special Assessment Bonds Series 2023 (Astor Creek Phase One Assessment Area) (the “Series 2023 Phase One Assessment Area Bonds”) as one series of bonds secured by Special Assessments levied against the assessable lands within the Astor Creek Phase 1 Assessment Area. The sizing and terms of the Series 2023 Phase One Assessment Area Bonds are shown in Table 3.

## 2.2 Allocation of Debt

Allocation of debt is a continuous process until the development plan is completed. The property within the Phase One Assessment Area is fully platted therefore the assessments will be levied on each of the platted units within the Phase One Assessment Area in accordance with this Report. Any infrastructure not funded by the issuance of the Series 2023 Phase One Assessment Area Bonds will be contributed by the Developer. If any property within the Phase One Assessment Area is to be transferred to a unit of local government, prior to such transfer any special assessments assigned to such land must be satisfied by virtue of a true-up payment.

If there are changes to development plan, a true-up of the assessments will be calculated to determine if a payment from the Developer is required. This process is outlined in Section 3.0 of the Master Assessment Methodology and formalized through an agreement with the Developer.

### **3.0 Assessment Roll**

The preliminary assessment roll is depicted in Table 6.

### **4.0 Additional Information**

Governmental Management Services-South Florida, LLC (GMS) does not represent the District as a Municipal Advisor or Securities Broker, nor is GMS registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, GMS does not provide the District with financial advisory services or offer investment advice.

Certain information in this report was provided by members of District staff, the Developer or other professionals hired in conjunction with the bond issuance, GMS makes no representations regarding the information provided by others.

**TABLE 1**  
**VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**  
**DEVELOPMENT PLAN - PHASE 1 ASSESSMENT AREA**

Product Type	Units	ERU's per Unit	Total ERU's
SF - 50's	53	1.15	60.95
SF - 60's	93	1.33	123.69
SF - 70's	64	1.54	98.56
SF - 80's	35	1.78	62.30
<b>Total Residential</b>	<b>245</b>		<b>345.50</b>

Note: Unit mix is subject to change based on marketing and other factors.

<b>TABLE 2</b> <b>VERANO #4 COMMUNITY DEVELOPMENT DISTRICT</b> <b>INFRASTRUCTURE COST ESTIMATES - PHASE 1 ASSESSMENT AREA</b>
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INFRASTRUCTURE	Phase 1
<b>Pod Specific Improvements</b>	
Roadways	\$ -
Stormwater Management	\$ 1,582,200
Water/Sewer/Undergrounding Differential	\$ 3,052,100
Streetscape & Landscaping	\$ -
Professional Fees	\$ 370,800
<b>Subtotal - Pod Specific</b>	<b>\$ 5,005,100</b>
<b>Master Improvements</b>	
Roadways	\$ 144,700
Stormwater Management	\$ 2,361,900
Water/Sewer/Undergrounding Differential	\$ 913,500
Streetscape & Landscaping	\$ 66,200
Professional Fees	\$ 279,000
<b>Subtotal - Master</b>	<b>\$ 3,765,300</b>
<b>Totals</b>	<b>\$ 8,770,400</b>

*Information provided by AECOM Technical Services, Inc.*

<b>TABLE 3</b> <b>VERANO #4 COMMUNITY DEVELOPMENT DISTRICT</b> <b>BOND SIZING- SERIES 2023 BONDS - PHASE 1 ASSESSMENT AREA</b>
--

<b>Sources</b>		
Par Amount	\$	5,480,000.00
Net Premium(Discount)	\$	-
	\$	5,480,000.00

<b>Uses:</b>		
<b>Project Fund Deposits:</b>		
2022 Acquisition and Construction Account	\$	4,467,800.00
<b>Other Fund Deposits:</b>		
Debt Service Reserve	\$	387,500.00
Capitalized Interest	\$	315,100.00
	\$	702,600.00
<b>Delivery Date Expenses:</b>		
Cost of Issuance	\$	309,600.00
	\$	5,480,000.00

<b>Bond Terms:</b>	
Average Coupon	5.75%
Amortization (years)	30
Capitalized Interest	12 months
Debt Service Reserve	100% of MADS

*Information provided by FMS Bonds.*

<b>TABLE 4</b> <b>VERANO #4 COMMUNITY DEVELOPMENT DISTRICT</b> <b>ALLOCATION OF INFRASTRUCTURE COSTS - PHASE 1 ASSESSMENT AREA</b>
--

Product Type	Units	ERU's per Unit	Total EU's	Percentage of Total EU's	Costs Allocated	Costs per Unit
SF - 50's	53	1.15	60.95	17.64%	\$ 1,547,195	\$ 29,192.36
SF - 60's	93	1.33	123.69	35.80%	\$ 3,139,829	\$ 33,761.60
SF - 70's	64	1.54	98.56	28.53%	\$ 2,501,912	\$ 39,092.38
SF - 80's	35	1.78	62.30	18.03%	\$ 1,581,464	\$ 45,184.69
<b>TOTAL</b>	<b>245</b>		<b>345.50</b>	<b>100%</b>	<b>\$ 8,770,400</b>	

<b>TABLE 5</b> <b>VERANO #4 COMMUNITY DEVELOPMENT DISTRICT</b> <b>ALLOCATION OF SERIES 2023 BONDS - PHASE 1 ASSESSMENT AREA</b>
---

Product Type	Units	Costs by Product Type	Developer Contribution of Infrastructure**	Costs Financed	Costs Financed per Lot	Par by Product Type	Par per Unit	Annual Assessment by Product Type*	Annual Assessment per Unit*
SF - 50's	53	\$ 1,547,195	\$ 759,026	\$ 788,169	\$ 14,871	\$ 1,011,855	\$ 19,091.61	\$ 71,550	\$ 1,350.00
SF - 60's	93	\$ 3,139,829	\$ 1,540,343	\$ 1,599,485	\$ 17,199	\$ 2,038,560	\$ 21,920.00	\$ 144,150	\$ 1,550.00
SF - 70's	64	\$ 2,501,912	\$ 1,227,393	\$ 1,274,519	\$ 19,914	\$ 1,538,643	\$ 24,041.29	\$ 108,800	\$ 1,700.00
SF - 80's	35	\$ 1,581,464	\$ 775,838	\$ 805,626	\$ 23,018	\$ 890,942	\$ 25,455.48	\$ 63,000	\$ 1,800.00
<b>TOTAL</b>	<b>245</b>	<b>\$ 8,770,400</b>	<b>\$ 4,302,600</b>	<b>\$ 4,467,800</b>		<b>\$ 5,480,000</b>		<b>\$ 387,500</b>	

\* This amount will be grossed up to cover early payment discounts and county collection fees, currently 8%.

\*\* Infrastructure not financed by the Series 2023 Bonds will be provided by the Developer.

**TABLE 6**  
**VERANO #4 COMMUNITY DEVELOPMENT DISTRICT**  
**PRELIMINARY ASSESSMENT ROLL - PHASE 1 ASSESSMENT AREA**

Folio	Legal	Product	Par per Unit	Annual Assessment*
TBD	Plat 3 Lot 1	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 3 Lot 2	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 3	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 3 Lot 4	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 3 Lot 5	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 3 Lot 6	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 3 Lot 7	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 3 Lot 8	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 3 Lot 9	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 3 Lot 10	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 11	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 12	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 13	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 14	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 15	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 16	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 3 Lot 17	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 3 Lot 18	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 3 Lot 19	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 3 Lot 20	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 3 Lot 21	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 1	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 2	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 3	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 4	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 5	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 6	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 7	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 8	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 9	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 10	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 11	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 12	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 13	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 14	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 15	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 16	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 17	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 18	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 19	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 20	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 21	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 22	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 23	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 24	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 25	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 26	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 27	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 28	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 29	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 30	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 31	SF - 80's	\$ 25,455	\$ 1,800



Folio	Legal	Product	Par per Unit	Annual Assessment*
TBD	Plat 4 lot 32	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 33	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 34	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 35	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 36	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 37	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 38	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 39	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 40	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 41	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 42	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 43	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 44	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 45	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 46	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 47	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 48	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 49	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 50	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 51	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 52	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 53	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 54	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 55	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 56	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 57	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 58	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 59	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 60	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 61	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 62	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 63	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 64	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 65	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 66	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 67	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 68	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 69	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 70	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 71	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 72	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 73	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 74	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 75	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 76	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 77	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 78	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 79	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 80	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 81	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 82	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 83	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 84	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 85	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 86	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 87	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 88	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 89	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 90	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 91	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 92	SF - 50's	\$ 19,092	\$ 1,350

Folio	Legal	Product	Par per Unit	Annual Assessment*
TBD	Plat 4 lot 93	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 94	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 95	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 96	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 97	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 98	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 99	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 100	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 101	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 102	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 103	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 104	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 105	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 106	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 107	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 108	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 109	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 110	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 111	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 112	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 113	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 114	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 115	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 116	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 117	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 118	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 119	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 120	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 121	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 122	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 123	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 124	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 125	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 126	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 127	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 128	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 129	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 130	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 131	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 132	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 133	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 134	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 135	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 136	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 137	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 138	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 139	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 140	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 141	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 142	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 143	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 144	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 145	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 146	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 147	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 148	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 149	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 150	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 151	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 152	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 153	SF - 70's	\$ 24,041	\$ 1,700

Folio	Legal	Product	Par per Unit	Annual Assessment*
TBD	Plat 4 lot 154	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 155	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 156	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 157	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 158	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 159	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 160	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 161	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 162	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 163	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 164	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 165	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 166	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 167	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 168	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 169	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 170	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 171	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 172	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 173	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 174	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 175	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 176	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 177	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 178	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 179	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 180	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 181	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 182	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 183	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 184	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 185	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 186	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 187	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 188	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 189	SF - 80's	\$ 25,455	\$ 1,800
TBD	Plat 4 lot 190	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 191	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 192	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 193	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 194	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 195	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 196	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 197	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 198	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 199	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 200	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 201	SF - 50's	\$ 19,092	\$ 1,350
TBD	Plat 4 lot 202	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 203	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 204	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 205	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 206	SF - 70's	\$ 24,041	\$ 1,700
TBD	Plat 4 lot 207	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 208	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 209	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 210	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 211	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 212	SF - 60's	\$ 21,920	\$ 1,550
TBD	Plat 4 lot 213	SF - 60's	\$ 21,920	\$ 1,550

<b>Folio</b>	<b>Legal</b>	<b>Product</b>	<b>Par per Unit</b>		<b>Annual Assessment*</b>
TBD	Plat 4 lot 214	SF - 60's	\$	21,920	\$ 1,550
TBD	Plat 4 lot 215	SF - 60's	\$	21,920	\$ 1,550
TBD	Plat 4 lot 216	SF - 70's	\$	24,041	\$ 1,700
TBD	Plat 4 lot 217	SF - 70's	\$	24,041	\$ 1,700
TBD	Plat 4 lot 218	SF - 70's	\$	24,041	\$ 1,700
TBD	Plat 4 lot 219	SF - 70's	\$	24,041	\$ 1,700
TBD	Plat 4 lot 220	SF - 80's	\$	25,455	\$ 1,800
TBD	Plat 4 lot 221	SF - 80's	\$	25,455	\$ 1,800
TBD	Plat 4 lot 222	SF - 80's	\$	25,455	\$ 1,800
TBD	Plat 4 lot 223	SF - 80's	\$	25,455	\$ 1,800
TBD	Plat 4 lot 224	SF - 80's	\$	25,455	\$ 1,800
			\$	5,480,000	\$ 387,500

\* This amount will be grossed up to cover early payment discounts and county collection fees, currently 8%.

## **APPENDIX E**

### **PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT**

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## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated [\_\_\_\_], 2023 is executed and delivered by the Verano #4 Community Development District (the "Issuer" or the "District"), Astor Creek Development LLC, a Florida limited liability company (the "Developer"), and Governmental Management Services – South Florida, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture, dated as of June 1, 2015 (the "Master Indenture"), as supplemented by a Eleventh Supplemental Trust Indenture dated as of March 1, 2023 (the "Eleventh Supplemental Indenture," and together with the Master Indenture, collectively, the "Indenture"), each entered into by and between the Issuer, the Other Districts (as defined herein) and U.S. Bank Trust Company, National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Fort Lauderdale, Florida, as trustee (the "Trustee"). Verano #5 Community Development District ("District #5") joins in this Disclosure Agreement as the Administration District under an Interlocal Agreement among the District, Verano Center Community Development District (the "Center District"), Verano #1 Community Development District ("District #1"), Verano #2 Community Development District ("District #2") and Verano #3 Community Development District ("District #3" and, together with the Center District, District #1, District #2, and District #5, the "Other Districts"), dated April 9, 2015, as amended and supplemented (collectively, the "Interlocal Agreement"). The Other Districts join in this Disclosure Agreement in the event a district other than District #5 is designated as the Administration District pursuant to the Interlocal Agreement. The Issuer, the Other Districts, the Developer and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Other Districts, the Developer and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. **Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the

Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessments" shall mean the Series 2023 Special Assessments pledged to the payment of the Series 2023 Bonds pursuant to the Eleventh Supplemental Indenture.

"Astor Creek Phase One Assessment Area" shall mean the portion of the lands in the Districts subject to the Series 2023 Special Assessments.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

"Beneficial Owner" shall mean any person which, (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means any day other than (a) a Saturday, Sunday or a day on which banks located in the city in which the designated corporate trust office of the Trustee is located are required or authorized by law or executive order to close for business, and (b) a day on which the New York Stock Exchange is closed.

"Disclosure Representative" shall mean (i) as to the Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

"Dissemination Agent" shall mean the Issuer or an entity appointed by the Issuer to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated



in writing by the Issuer pursuant to Section 8 hereof. Governmental Management Services – South Florida, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Governmental Management Services – South Florida, LLC, and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"Financial Obligation" means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

"Fiscal Year" shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

"Limited Offering Memorandum" shall mean that Limited Offering Memorandum dated [\_\_\_\_\_], 2023, prepared in connection with the issuance of the Bonds.

"Listed Events" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"Obligated Person(s)" shall mean, with respect to any Series of Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Series of Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and for the purposes of this Disclosure Agreement, the Developer for so long as the Developer or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the Assessments in the Astor Creek Phase One Assessment Area.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Series 2023 Special Assessments" shall mean the Special Assessments pledged to the payment of the Series 2023 Bonds pursuant to the Eleventh Supplemental Indenture.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be August 1, 2023.

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the Issuer) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) from time to time to act as a repository for purposes of complying with the Rule. The Repositories approved by the SEC may be found by visiting the SEC's website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its EMMA web portal. As used herein, "Repository" shall include the State Repository, if any.

"Rule" shall mean Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same has and may be amended from time to time.

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

### **3. Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than one hundred eighty (180) days after the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ended September 30, 2023. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15<sup>th</sup>) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a)

above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the Annual Filing Date the name, address and filing requirements of the Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

#### **4. Content of Annual Reports.**

(a) Each Annual Report shall contain the following Annual Financial Information with respect to the Issuer:

(i) The amount of Assessments levied in the Astor Creek Phase One Assessment Area for the most recent prior Fiscal Year.

(ii) The amount of Assessments collected in the Astor Creek Phase One Assessment Area from the property owners during the most recent prior Fiscal Year.

(iii) If available, the amount of delinquencies in the Astor Creek Phase One Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.

(iv) If available, the amount of tax certificates sold for lands within the Astor Creek Phase One Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(v) All fund balances in all Funds and Accounts for each Series of Bonds.

(vi) The total amount of Bonds Outstanding.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The principal amount of the Assessments assigned to platted units.

(ix) The most recent Audited Financial Statements of the Issuer.

(x) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered more than 180 days after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

5. **Quarterly Reports.**

(a) Each Obligated Person (other than the Issuer) shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than five (5) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.

(b) Each Quarterly Report shall contain an update of the following information to the extent available for the Astor Creek Phase One Assessment Area with respect to such Obligated Person:

(i) The number and type of lots in the Astor Creek Phase One Assessment Area subject to the Assessments.

(ii) The number and type of lots owned in the Astor Creek Phase One Assessment Area by the Obligated Person.

(iii) The number and type of lots platted in the Astor Creek Phase One Assessment Area.

(iv) The number and type of lots under contract with homebuilders in the Astor Creek Phase One Assessment Area, if any.

(v) The number and type of lots closed with homebuilders in the Astor Creek Phase One Assessment Area and the name of the homebuilder, if any.

(vi) The number and type of homes under contract with homebuyers in the Astor Creek Phase One Assessment Area.

(vii) The number and type of homes closed with homebuyers in the Astor Creek Phase One Assessment Area.

(viii) Any change to the number or type of lots planned to be developed in the Astor Creek Phase One Assessment Area by the Obligated Person.

(ix) Materially adverse changes or determinations to permits/approvals for the development of the Astor Creek Phase One Assessment Area which necessitate changes to the land use plans of any Obligated Person.

(x) The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Astor Creek Phase One Assessment Area, including the amount and interest rate.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the Astor Creek Phase One Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby

agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Developer from its obligations hereunder except to the extent a written Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

6. **Reporting of Listed Events.**

(a) This Section 6 shall govern the giving of notices of the occurrence of any of the following Listed Events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Series 2023 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;\*
- (v) Substitution of credit or liquidity providers, or their failure to perform;\*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;\*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any Obligated Person in

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\* Not applicable to the Bonds at their date of issuance.

a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Issuer or any Obligated Person);

(xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

(xv) Incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;

(xvi) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;

(xvii) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws; and

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 4(a)(ix) hereof.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Events described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent shall identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent

to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv) or (xvi) that has occurred with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

7. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be Governmental Management Services – South Florida, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Governmental Management Services – South Florida, LLC. Governmental Management Services - South Florida, LLC, may terminate its role as Dissemination Agent at any time upon delivery of thirty (30) days prior written notice to the District and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of the each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation



under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee shall at the request of any Participating Underwriter or the Beneficial Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, or any beneficial owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer (or Other Districts, if applicable), the Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the Issuer hereunder and no default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer (or Other Districts, if applicable), the Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Developer and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District, the Developer and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Other Districts, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

14. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the Issuer, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the St. Lucie County Tax Collector and the Issuer's most recent adopted budget.

15. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in St. Lucie County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and by PDF signature and all of which shall constitute but one and the same instrument.

17. **Trustee Cooperation.** The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and the Issuer instructs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports readily available to and in the possession of the Trustee that the Dissemination Agent requests in writing.

18. **Administration District.** To the extent that any of the obligations of the Issuer hereunder have been or in future are delegated to District #5 as the Administration District pursuant to the Interlocal Agreement, District #5 hereby joins in to this Disclosure Agreement and assumes such obligations of Issuer hereunder; provided, however, that nothing herein shall relieve the Issuer of its obligations under this Disclosure Agreement. In the event a district other than District #5 is designated as the Administration District pursuant to the Interlocal Agreement, the District agrees, and each of the Other Districts joins in this Disclosure Agreement and agrees, to assume all obligations imposed on the Administration District hereunder.

19. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any assignees or successors thereto that become an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**VERANO #4 COMMUNITY DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

By: \_\_\_\_\_  
John C. Csapo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**VERANO #5 COMMUNITY DEVELOPMENT DISTRICT, AS ADMINISTRATION DISTRICT**

[SEAL]

By: \_\_\_\_\_  
John C. Csapo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**VERANO CENTER COMMUNITY DEVELOPMENT DISTRICT**

[SEAL]

By: \_\_\_\_\_  
John C. Csapo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**VERANO #1 COMMUNITY DEVELOPMENT DISTRICT**

[SEAL]

By: \_\_\_\_\_  
Max Krupo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**VERANO #2 COMMUNITY DEVELOPMENT DISTRICT**

[SEAL]

By: \_\_\_\_\_  
John C. Csapo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**VERANO #3 COMMUNITY DEVELOPMENT DISTRICT**

[SEAL]

By: \_\_\_\_\_  
John C. Csapo, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
Richard P. Hans, Secretary

**ASTOR CREEK DEVELOPMENT LLC, AS DEVELOPER**

By: The Kolter Group LLC, a Florida limited liability company, its Manager

By: \_\_\_\_\_  
Name: William Johnson  
Title: Manager

**GOVERNMENTAL MANAGEMENT  
SERVICES - SOUTH FLORIDA, LLC, and its  
successors and assigns, AS DISSEMINATION  
AGENT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**GOVERNMENTAL MANAGEMENT  
SERVICES - SOUTH FLORIDA, LLC,  
AS DISTRICT MANAGER**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged and agreed to for purposes of  
Sections 11, 13 and 17 only:

**U.S. BANK TRUST COMPANY, NATIONAL  
ASSOCIATION, AS TRUSTEE**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORIES OF FAILURE  
TO FILE [ANNUAL REPORT]  
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: Verano #4 Community Development District

Name of Bond Issue: \$[ ] original aggregate principal amount of Special Assessment Bonds, Series 2023 (Astor Creek Phase One Assessment Area)

Obligated Person(s): Verano #4 Community Development District;  
\_\_\_\_\_.

Original Date of Issuance: [ ], 2023

CUSIP Numbers: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated [ ], 2023, by and between the Issuer, the Developer and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_, as Dissemination Agent

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Issuer  
Trustee

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