

# PRELIMINARY LIMITED OFFERING MEMORANDUM DATED OCTOBER 12, 2023

## NEW ISSUE - BOOK-ENTRY ONLY LIMITED OFFERING

NOT RATED

In the opinion of GrayRobinson, P.A., Bond Counsel, under existing law and assuming compliance with the tax covenants described herein, and the accuracy of certain representations and certifications made by the District described herein, interest on the Pod A 2023 Bonds (as defined herein) is excluded from gross income for federal income tax purposes under Section 103 of the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel, is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. However, for taxable years beginning after December 31, 2022, interest on the Pod A 2023 Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations. In the opinion of Bond Counsel, interest on the Pod A 2023 Bonds will not be subject to taxation under the laws of the State of Florida, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein. See "TAX MATTERS" herein regarding certain other tax considerations.

## RYE RANCH COMMUNITY DEVELOPMENT DISTRICT (MANATEE COUNTY, FLORIDA)

**\$8,600,000\***

### Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area)

**Dated: Date of Delivery**

**Due: As set forth herein.**

The Rye Ranch Community Development District Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) (the "Pod A 2023 Bonds") are being issued by the Rye Ranch Community Development District (the "District" or "Issuer") only in fully registered form, without coupons, in denominations of \$5,000 and any integral multiple thereof.

The District 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. 22-12 adopted by the Board of County Commissioners of Manatee County, Florida (the "County") on February 8, 2022, and effective on February 8, 2022. The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined), and has previously 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 certain District Lands.

The Pod A 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 May 1, 2024. The Pod A 2023 Bonds, when issued, will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Pod A 2023 Bonds will be made only in book-entry form. Accordingly, principal of and interest on the Pod A 2023 Bonds will be paid from sources described below by 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 the Orlando, Florida, as trustee (the "Trustee") directly to Cede & Co., as the registered owner thereof. Disbursements of such payments to the Direct Participants (as hereinafter defined) is the responsibility of DTC and disbursements of such payments to the beneficial owners is the responsibility of the Direct Participants and the Indirect Participants (as hereinafter defined), as more fully described herein. Any purchaser of a beneficial interest in a Pod A 2023 Bond must maintain an account with a broker or dealer who is, or acts through, a Direct Participant to receive payment of the principal of and interest on such Pod A 2023 Bond. See "DESCRIPTION OF THE POD A 2023 BONDS – Book-Entry Only System" herein.

The Pod A 2023 Bonds are being issued by the District pursuant to the Act, Resolution Nos. 2022-26 and 2024-01 adopted by the Board of Supervisors of the District (the "Board") on March 7, 2022, and October 11, 2023, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture"), as amended and supplemented, with respect to the Pod A 2023 Bonds by a Second Supplemental Trust Indenture dated as of October 1, 2023 (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" herein.

Proceeds of the Pod A 2023 Bonds will be used for the purpose of (i) providing funds to pay a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Pod A 2023 Project (as hereinafter defined), (ii) funding a deposit to the Pod A 2023 Reserve Account in the amount of the Pod A 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Pod A 2023 Bonds, and (iv) paying the Costs of issuance of the Pod A 2023 Bonds. See "THE POD A CAPITAL IMPROVEMENT PLAN AND THE POD A 2023 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Pod A 2023 Bonds will be secured by a pledge of the Pod A 2023 Pledged Revenues. "Pod A 2023 Pledged Revenues" shall mean (a) all revenues received by the District from the Pod A 2023 Special Assessments (as defined herein) levied and collected on the assessable lands within Pod A subject to the Pod A 2023 Special Assessments, benefited by the Pod A 2023 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Pod A 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Pod A 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture created and established with respect to or for the benefit of the Pod A 2023 Bonds; provided, however, that Pod A 2023 Pledged Revenues shall not include (A) any moneys transferred to the Pod A 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Pod A 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District 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). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS" herein.

The Pod A 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 POD A 2023 BONDS – Redemption Provisions" herein.

THE POD A 2023 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE POD A 2023 PLEDGED REVENUES, PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE POD A 2023 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, POD A 2023 SPECIAL ASSESSMENTS (AS DEFINED HEREIN) TO SECURE AND PAY THE POD A 2023 BONDS. THE POD A 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Pod A 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 Pod A 2023 Bonds. The Pod A 2023 Bonds are not credit enhanced or rated and no application has been made for credit enhancement or a rating with respect to the Pod A 2023 Bonds.

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

#### MATURITY SCHEDULE

\$ _____	% Pod A 2023 Term Bond due _____	1, 20_	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Pod A 2023 Term Bond due _____	1, 20_	Yield _____%	Price _____	CUSIP # _____	**
\$ _____	% Pod A 2023 Term Bond due _____	1, 20_	Yield _____%	Price _____	CUSIP # _____	**

The initial sale of the Pod A 2023 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of GrayRobinson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Pod A 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 District by its counsel, Kutak Rock LLP, Tallahassee, Florida, as District Counsel, and GrayRobinson, P.A., as Disclosure Counsel. Certain legal matters will be passed upon for the Pod A Developer (as hereinafter defined) by their counsel, Greene Hamrick Schermer & Johnson, P.A., Bradenton, Florida. The Underwriter is represented by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida. It is expected that the Pod A 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 District 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 Pod A 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 District 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.

## **RYE RANCH COMMUNITY DEVELOPMENT DISTRICT**

### **BOARD OF SUPERVISORS**

Stephen Cerven, Chairman\*  
A. John Falkner, Vice Chairman\*  
Scott Falkner, Assistant Secretary\*  
Jeff Cerven, Assistant Secretary\*  
Roy Cohn, Assistant Secretary\*

\* Employee of, or affiliated with, the Master Landowner (as defined herein) or one of its affiliates.

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

Wrathell, Hunt & Associates, LLC  
Boca Raton, Florida

### **DISTRICT COUNSEL**

Kutak Rock LLP  
Tallahassee, Florida

### **BOND COUNSEL AND DISCLOSURE COUNSEL**

GrayRobinson, P.A.  
Tampa, Florida

### **DISTRICT ENGINEER**

ZNS Engineering, L.C.  
Bradenton, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT 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 DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE POD A 2023 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE POD A 2023 BONDS BY ANY PERSON IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH OFFER, SOLICITATION OR SALE.

THE INFORMATION SET FORTH HEREIN HAS BEEN OBTAINED FROM THE POD A DEVELOPER (AS HEREINAFTER DEFINED), THE DISTRICT, 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 DISTRICT, THE POD A DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT, POD A 2023 PROJECT AREA OR THE POD A 2023 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE POD A 2023 BONDS HAVE NOT BEEN REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, NOR HAS THE INDENTURE BEEN QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED, IN RELIANCE UPON CERTAIN EXEMPTIONS SET FORTH IN SUCH ACTS. THE REGISTRATION, QUALIFICATION OR EXEMPTION OF THE POD A 2023 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE POD A 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 DISTRICT'S COLLECTION OF ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S AND THE POD A DEVELOPER'S CONTROL. BECAUSE THE DISTRICT, 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 DISTRICT AND THE POD A DEVELOPER DO 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 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 DISTRICT 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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**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
(MANATEE COUNTY, FLORIDA)**

**\$8,600,000\***

**Special Assessment Bonds, Series 2023  
(Pod A 2023 Project Area)**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the Rye Ranch Community Development District (the "District" or "Issuer") of its \$8,600,000\* Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) (the "Pod A 2023 Bonds").

THE POD A 2023 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE POD A 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 POD A 2023 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE POD A 2023 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

The District is a local unit of special-purpose government of the State of Florida (the "State"), and was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 22-12 adopted by the Board of County Commissioners of Manatee County, Florida (the "County") on February 8, 2022, and effective February 8, 2022. The District was created for the purpose of delivering certain community development services and facilities for the benefit of District Lands (as hereinafter defined) and has previously 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 District Lands. The Act authorizes the District to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, or equipping water management and control, water supply, sewer and wastewater management, bridges or culverts, roadway improvements, landscaping, street lights, parks and other basic public infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District include approximately 1,368.60 gross acres of land (the "District Lands") located entirely within the County, south and west of County Road No. 675 (Rutland Road), east of North Rye Road, and north of Upper Manatee River Road. The District Lands are being developed as a master-planned community known as "Rye Ranch" (the "Development"), which at buildout is expected to consist of approximately 3,500 residential units. See "THE DEVELOPMENT" herein for more information. The District Lands are being developed in multiple phases. Rye Ranch, LLC, a Florida limited liability company (the "Master Landowner"), is the primary landowner of lands in the Development. North Lake Communities, Inc., is the master developer of the Development (the "Master Developer").

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\* Preliminary, subject to change.

The Development is part of a larger regional development, which is anticipated to encompass all of the Development along with the lands in the Northlake Stewardship District and include a variety of land uses. The District adopted Resolution No. 2023-08 on February 15, 2023, confirming its intent to merge the District with the Northlake Stewardship District, which is a local unit of special purpose government of the State established by the State legislature pursuant to Chapter 2022-248, Laws of Florida. The Northlake Stewardship District currently includes approximately 25,626 gross acres of land within the County. The merger is anticipated to take place by early 2024, and the surviving district will be known as the Northlake Stewardship District. All of the District's obligations in connection with the issuance of the Pod A 2023 Bonds will be assumed by the Northlake Stewardship District pursuant to the merger agreement between the District and Northlake Stewardship District.

The Pod A 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with Phases 2A, 2B and 2C of the Development located within Pod A of the District (the "Pod A 2023 Project"). The Pod A 2023 Bonds are payable from and secured by a pledge of the Pod A 2023 Pledged Revenues, which consist primarily of the revenues received by the District from the Pod A 2023 Special Assessments. The Pod A 2023 Special Assessments are initially levied on the approximately 561 gross acres within Pod A within the District planned for 1,772 lots ("Pod A"). As set forth in the Assessment Methodology (as defined herein), the Pod A 2023 Special Assessments will be assigned to platted lots in Pod A on a first-platted, first-assigned basis and will be fully-assigned upon the platting of not less than 436 equivalent residential units ("ERUs") within Pod A (the "Pod A 2023 Project Area"). It is anticipated that the lien of the Pod A 2023 Special Assessments will be assigned to the 458 planned lots in Phases 2A, 2B and 2C, which, based on proposed product types, are expected to absorb the 436 ERUs in accordance with the Assessment Methodology. Platting of the Pod A 2023 Project Area is anticipated to occur in the fourth quarter of 2023. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

SK Rye Road LLC, a Delaware limited liability company (the "Pod A Developer"), is the landowner and developer for the units planned within Pod A. See "THE POD A DEVELOPER" herein for more information on the Pod A Developer. The Pod A Developer has entered into a builder contract with D.R. Horton, Inc., a Delaware corporation ("D.R. Horton" or the "Builder") for the sale of 1,772 developed single-family residential lots planned for Pod A, including all 458 lots planned within Phases 2A, 2B and 2C in a series of takedowns upon development completion. See "THE DEVELOPMENT – The Builder and the Builder Contract" herein for more information.

The Pod A 2023 Bonds are being issued by the District pursuant to the Act, Resolution No. 2022-26 and Resolution No. 2024-01 adopted by the Board of Supervisors of the District (the "Board") on March 7, 2022, and October 11, 2023, respectively (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture"), as amended and supplemented with respect to the Pod A 2023 Bonds by a Second Supplemental Trust Indenture dated as of October 1, 2023 (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District 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 the Orlando, Florida, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" attached hereto.

Proceeds of the Pod A 2023 Bonds will be used for the purpose of (i) providing funds to pay a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Pod A 2023 Project, (ii) funding a deposit to the Pod A 2023 Reserve Account in the amount of the Pod A 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Pod A 2023 Bonds, and (iv) paying the costs of issuance of the Pod A 2023 Bonds. See "THE POD A CAPITAL IMPROVEMENT

PLAN AND THE POD A 2023 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Pod A 2023 Bonds will be secured by a pledge of the Pod A 2023 Pledged Revenues. "Pod A 2023 Pledged Revenues" shall mean (a) all revenues received by the District from the Pod A 2023 Special Assessments levied and collected on the assessable lands within Pod A subject to the Pod A 2023 Special Assessments, benefitted by the Pod A 2023 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Pod A 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Pod A 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture created and established with respect to or for the benefit of the Pod A 2023 Bonds; provided, however, that Pod A 2023 Pledged Revenues shall not include (A) any moneys transferred to the Pod A 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Pod A 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District 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). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS" herein.

There follows in this Limited Offering Memorandum a brief description of the District, the Pod A Developer, the Builder, the Development, the Pod A 2023 Project Area, the Pod A 2023 Project and summaries of the terms of the Pod A 2023 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statute, and all references to the Pod A 2023 Bonds are qualified by reference to the respective definitive form thereof and the information with respect thereto contained in the respective Indenture. A copy of the Master Indenture and proposed form of the Supplemental Indenture appear in APPENDIX A attached hereto.

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

## **DESCRIPTION OF THE POD A 2023 BONDS**

### **General Description**

The Pod A 2023 Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof. The Pod A 2023 Bonds will initially be offered only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder; provided, however, the limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Pod A 2023 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

The Pod A 2023 Bonds shall be dated as of the date of initial delivery. Interest on the Pod A 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 May 1, 2024. Interest on the Pod A 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 May 1, 2024, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. Interest on the Pod A 2023 Bonds will be computed in all

cases on the basis of a 360-day year consisting of twelve 30-day months. The Pod A 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 hereof.

Upon initial issuance, the Pod A 2023 Bonds shall be issued as one fully registered bond for each maturity of Pod A 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 Pod A 2023 Bonds are held in book-entry-only form, Cede & Co. shall be considered the Registered Owner for all purposes of the Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("Direct Participants") and other institutions that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Pod A 2023 Bonds ("Beneficial Owners"). Principal and interest on the Pod A 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. Disbursal of such amounts to Direct Participants shall be the responsibility of DTC. Payments by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants and not of DTC nor its nominee, the Trustee or the District. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Pod A 2023 Bonds, through Direct Participants and Indirect Participants. During the period for which Cede & Co. is Registered Owner of the Pod A 2023 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to Direct Participants and Direct Participants shall be responsible for notices to Indirect Participants, and Direct Participants and Indirect Participants shall be responsible for notices to Beneficial Owners. In the event DTC, any successor of DTC or the District, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system for the Pod A 2023 Bonds, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor, and after such time the Pod A 2023 Bonds may be exchanged for an equal aggregate principal amount of Pod A 2023 Bonds in Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "– Book-Entry Only System."

U.S. Bank Trust Company, National Association is initially serving as the Trustee, Registrar and Paying Agent for the Pod A 2023 Bonds.

## **Redemption Provisions**

### **Optional Redemption**

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



### **Mandatory Sinking Fund Redemption**

The Pod A 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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><b>Year</b></u>	<u><b>Mandatory Sinking Fund Redemption Amount</b></u>
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\*Maturity

The Pod A 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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><b>Year</b></u>	<u><b>Mandatory Sinking Fund Redemption Amount</b></u>
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\*Maturity

The Pod A 2023 Bonds maturing on May 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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><b>Year</b></u>	<u><b>Mandatory Sinking Fund Redemption Amount</b></u>
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\*Maturity

Upon any redemption of Pod A 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, the District 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 Pod A 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 Pod A 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 Pod A 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption occurs, but shall be made to mandatory sinking fund redemption amounts for immediately succeeding and subsequent years.

### **Extraordinary Mandatory Redemption**

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

(i) From Pod A 2023 Prepayment Principal deposited into the Pod A 2023 Prepayment Subaccount of the Pod A 2023 Bond Redemption Account following the payment in whole or in part of Pod A 2023 Special Assessments on any assessable property within the District Lands in accordance with the provisions of the Supplemental Indenture, together with any excess moneys transferred by the Trustee from the Pod A 2023 Reserve Account to the Pod A 2023 Prepayment Subaccount as a result of such Pod A 2023 Prepayment and pursuant to the Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Pod A 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Pod A 2023 Bonds is substantially level; or

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

(iii) Upon the Completion Date (as defined in the Indenture), from any funds remaining on deposit in the Pod A 2023 Acquisition and Construction Account not otherwise reserved to complete the Pod A 2023 Project and transferred to the Pod A 2023 General Redemption Subaccount of the Pod A 2023 Bond Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Pod A 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Pod A 2023 Bonds is substantially level.

Except as otherwise provided in the Indenture, if less than all of the Pod A 2023 Bonds subject to redemption shall be called for redemption, the particular such Bonds or portions of such Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

"Quarterly Redemption Date" means February 1, May 1, August 1 and November 1 of any calendar year.

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

When required to redeem or purchase Pod A 2023 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor 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 (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 the Pod A 2023 Bonds for which notice was duly mailed in accordance with the Indenture. The District is authorized to direct the Trustee to give a conditional notice of redemption.

If at the time of mailing the notice of any redemption, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem all the Pod A 2023 Bonds called for redemption, such notice shall state that it is conditional and 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 redemption date, and such notice shall be of no effect unless such moneys are so deposited. All payments of the Redemption Price of the Pod A 2023 Bonds shall be made on the dates required pursuant to the Indenture.

### **Purchase of Pod A 2023 Bonds**

At the written direction of the District, the Trustee shall apply moneys from time to time available in the Pod A 2023 Sinking Fund Account to the purchase of the Pod A 2023 Bonds in accordance with the Indenture, 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 District 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 Pod A 2023 Bonds. The Pod A 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 Pod A 2023 Bond certificate will be issued for each maturity of the Pod A 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 Standard & Poor's 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 Pod A 2023 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Pod A 2023 Bonds on DTC's records. The ownership interest of each actual purchaser of each Pod A 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 Pod A 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 Pod A 2023 Bonds, except in the event that use of the book-entry system for the Pod A 2023 Bonds is discontinued.

To facilitate subsequent transfers, all Pod A 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 Pod A 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 Pod A 2023 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Pod A 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 Pod A 2023 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Pod A 2023 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Pod A 2023 Bond documents. For example, Beneficial Owners of Pod A 2023 Bonds may wish to ascertain that the nominee holding the Pod A 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 Pod A 2023 Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Pod A 2023 Bonds to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Pod A 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 District 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 Pod A 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 Pod A 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 District 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

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\* Not applicable to the Pod A 2023 Bonds.

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 District, 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 District 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.

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

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

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS**

### **General**

THE POD A 2023 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY OUT OF THE POD A 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE POD A 2023 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, POD A 2023 SPECIAL ASSESSMENTS TO SECURE AND PAY THE POD A 2023 BONDS. THE POD A 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Pod A 2023 Bonds will be secured by a pledge of the Pod A 2023 Pledged Revenues. "Pod A 2023 Pledged Revenues" shall mean (a) all revenues received by the District from the Pod A 2023 Special Assessments levied and collected on the assessable lands within Pod A subject to the Pod A 2023 Special Assessments, benefitted by the Pod A 2023 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Pod A 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Pod A 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture created and established with respect to or for the benefit of the Pod A 2023 Bonds; provided, however, that Pod A 2023 Pledged Revenues shall not include (A) any moneys transferred to the Pod A 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Pod A 2023 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the District 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).

The Pod A 2023 Special Assessments consist of the non-ad valorem special assessments imposed and levied by the District against the lands within Pod A of the District, as a result of the District's

acquisition and/or construction of a portion of the Pod A 2023 Project, corresponding in amount to the debt service on the Pod A 2023 Bonds and designated as such in the Assessment Methodology (as defined herein) relating thereto. The Pod A 2023 Special Assessments are levied pursuant to Section 190.022 of the Act, resolutions of the District adopted prior to delivery of the Pod A 2023 Bonds, as amended and supplemented from time to time (collectively, the "Assessment Resolutions") and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). The Assessment Methodology, which describes the methodology for allocating the Pod A 2023 Special Assessments to the assessable lands within the District, is included as APPENDIX D hereto. See also "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein.

Non-ad valorem 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 Pod A 2023 Special Assessments will constitute a lien against the land as to which the Pod A 2023 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

### **Covenant to Levy the Pod A 2023 Special Assessments**

The District will covenant to levy the Pod A 2023 Special Assessments to the extent and in the amount sufficient to pay Debt Service Requirements on all Outstanding Pod A 2023 Bonds. If any Pod A 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 District shall be satisfied that any such Pod A 2023 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Pod A 2023 Special Assessment when it might have done so, the District will additionally covenant in the Indenture to either (i) take all necessary steps to cause a new Pod A 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 Pod A 2023 Special Assessment from any legally available moneys, which moneys shall be deposited into the Pod A 2023 Revenue Account. In case such second Pod A 2023 Special Assessment shall be annulled, the District shall obtain and make other Pod A 2023 Special Assessments until a valid Pod A 2023 Special Assessment shall be made.

### **Prepayment of Pod A 2023 Special Assessments**

Pursuant to the Act and the Assessment Proceedings, at such times as provided in the Assessment Resolutions an owner of property subject to the levy of Pod A 2023 Special Assessments may, at its option, prepay the entire amount of such Pod A 2023 Special Assessments at any time, or a portion of such Pod A 2023 Special Assessments up to two times, plus accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date if such prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date, as the case may be), attributable to the property subject to such Pod A 2023 Special Assessments owned by such owner.

Unless the right to prepay granted in Section 170.09, Florida Statutes, has been waived with respect to the Pod A 2023 Special Assessments, pursuant to Section 170.09, Florida Statutes, and the Assessment Proceedings, an owner of property subject to the levy of Pod A 2023 Special Assessments may pay the entire balance of the Pod A 2023 Special Assessments remaining due, without interest, within thirty (30) days after the Pod A 2023 Project has been completed and the Board has adopted a resolution accepting the Pod A 2023 Project. The Pod A Developer, as the sole owner of the property within the Pod A 2023 Project Area within the District and subject to the Pod A 2023 Special Assessments, will waive this right in connection with the issuance of the Pod A 2023 Bonds and pursuant to a "Declaration of Consent (Rye Ranch Pod A – Pod A 2023 Project Area)." Such declaration will be recorded against the Pod A 2023 Project Area in the public records of the County, and the covenants contained therein will be binding on the Pod A Developer and future landowners of land within the Pod A 2023 Project Area.

Any prepayment of Pod A 2023 Special Assessments will result in the extraordinary mandatory redemption of Pod A 2023 Bonds, as indicated under "DESCRIPTION OF THE POD A 2023 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption." See also "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein. The prepayment of Pod A 2023 Special Assessments does not entitle the owner of the property to a discount for early payment.

### **Additional Bonds**

In the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Pod A 2023 Special Assessments. In addition, the District will covenant not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments on the assessable lands within the District that are subject to the Pod A 2023 Special Assessments until the Pod A 2023 Special Assessments are Substantially Absorbed. "Substantially Absorbed" shall mean the date at least ninety percent (90%) of the principal portion of the Pod A 2023 Special Assessment have been assigned to residential units within the Pod A 2023 Project Area that have received certificates of occupancy. The District shall present the Trustee with a certification that the Pod A 2023 Special Assessments are Substantially Absorbed, and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Pod A 2023 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Pod A 2023 Special Assessments have not been Substantially Absorbed. Such covenants shall not prohibit the District from issuing refunding Bonds secured by the Pod A 2023 Special Assessments or any Bonds or other obligations secured by other Special Assessments (i) if such Special Assessments are levied on District Lands not subject to the Pod A 2023 Special Assessments, (ii) if such Bonds or other obligations are issued to finance a capital project that is necessary for health, safety or welfare reasons or to remediate any natural disaster, catastrophic damage or failure with respect to the Pod A 2023 Project, or (iii) upon the written consent of the Majority Holders.

Except as set forth above, the District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Pod A 2023 Special Assessments without the consent of the Owners of the Pod A 2023 Bonds. Additionally, the District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Pod A 2023 Special Assessments, on the same lands upon which the Pod A 2023 Special Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein.

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

In the Master Indenture, the District will covenant that (a) except for those improvements comprising Project or any part thereof that are to be conveyed by the District to the County, the State Department of Transportation or another governmental entity and (b) except as otherwise permitted in the Indenture, it will not sell, lease or otherwise dispose of or encumber the Project or any part thereof, including the Pod A 2023 Project. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" herein for more information.

### **Pod A 2023 Acquisition and Construction Account**

The Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Pod A 2023 Acquisition and Construction Account." Net proceeds of the Pod A 2023 Bonds shall be deposited into the Pod A 2023 Acquisition and Construction Account in the amount set forth in the Supplemental Indenture, together with any moneys transferred or deposited thereto, including moneys transferred from the Pod A 2023 Reserve Account after satisfaction of either of the Conditions for Reduction of Reserve Requirement (see "–Pod A 2023 Reserve Account" herein), and such

moneys shall be applied as set forth in, and the District shall request disbursement as permitted under, the Indenture and the Acquisition Agreement, as applicable. Funds on deposit in the Pod A 2023 Acquisition and Construction Account shall only be requested by the District to be applied to the Costs of the Pod A 2023 Project. Upon satisfaction of Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, the amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement shall then be transferred to the Pod A 2023 Acquisition and Construction Account and applied as provided in the Supplemental Indenture.

After the Completion Date for the Pod A 2023 Project, and after retaining costs to complete the Pod A 2023 Project, any moneys remaining in the Pod A 2023 Acquisition and Construction Account shall be transferred to the Pod A 2023 General Redemption Subaccount, as directed in writing by the District, or the District Manager on behalf of the District, to the Trustee. After no funds remain therein, the Pod A 2023 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the Pod A 2023 Acquisition and Construction Account shall not be closed until after Condition #1 for Reduction of Reserve Requirement and Condition #2 for Reduction of Reserve Requirement shall have each occurred and the excess funds from the Pod A 2023 Reserve Account shall have been transferred to the Pod A 2023 Acquisition and Construction Account and applied in accordance with the Supplemental Indenture. The Trustee shall not be responsible for determining the amounts in the Pod A 2023 Acquisition and Construction Account allocable to the respective components of the Pod A 2023 Project.

The Trustee shall make no such transfers from the Pod A 2023 Acquisition and Construction Account to the Pod A 2023 General Redemption Subaccount if an Event of Default exists with respect to the Pod A 2023 Bonds of which the Trustee has notice as described in the Master Indenture or of which the Trustee has actual knowledge as described in the Master Indenture. The Trustee shall withdraw moneys from the Pod A 2023 Acquisition and Construction Account only upon presentment to the Trustee of a properly signed requisition in substantially the form attached as an exhibit to the Supplemental Indenture, except as provided in the Supplemental Indenture with respect to mandatory redemption of the Pod A 2023 Bonds after the Completion Date or with regard to use of the Pod A 2023 Acquisition and Construction Account following an Event of Default. See "—Events of Default and Remedies" herein for additional limitations on disbursements from the Pod A 2023 Acquisition and Construction Account during certain Events of Default.

### **Pod A 2023 Reserve Account**

The Indenture establishes a Pod A 2023 Reserve Account within the Debt Service Reserve Fund for the Pod A 2023 Bonds. The Pod A 2023 Reserve Account will, at the time of delivery of the Pod A 2023 Bonds, be funded from a portion of the proceeds of the Pod A 2023 Bonds in the amount of the Pod A 2023 Reserve Requirement. The "Pod A 2023 Reserve Requirement" or "Reserve Requirement" shall mean (i) initially, an amount equal to the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time; (ii) upon the occurrence of Condition #1 for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time; and (iii) upon the occurrence of Condition #2 for Reduction of Reserve Requirement, ten percent (10%) of the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time. Upon satisfaction of either Condition for Reduction of Reserve Requirement, such excess amount shall be released from the Pod A 2023 Reserve Account and transferred to the Pod A 2023 Acquisition and Construction Account in accordance with the provisions of the Supplemental Indenture. For the purpose of calculating the Pod A 2023 Reserve Requirement, maximum annual debt service, fifty percent (50%) of maximum annual debt service or ten percent (10%) of maximum annual debt service, as the case may be, shall initially be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Pod A 2023 Bonds from Pod A 2023 Prepayment Principal as set forth in the Supplemental Indenture (but not upon the optional or



mandatory sinking fund redemption thereof) and such excess amount shall be released from the Pod A 2023 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Pod A 2023 Prepayment Subaccount in accordance with the provisions of the Supplemental Indenture. Amounts on deposit in the Pod A 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Pod A 2023 Bonds, be used to pay principal of and interest on the Pod A 2023 Bonds at that time. Initially, the Pod A 2023 Reserve Requirement shall be equal to \$\_\_\_\_\_.

"Condition #1 for Reduction of Reserve Requirement" with respect to the Pod A 2023 Bonds shall mean collectively (i) all of the principal portion of the Pod A 2023 Special Assessments has been assigned to platted lots that have been sold and closed to homebuilders, and (ii) there shall be no Events of Default under the Indenture with respect to the Pod A 2023 Bonds, each as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of Condition #1 for Reduction of Reserve Requirement, and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

"Condition #2 for Reduction of Reserve Requirement" with respect to the Pod A 2023 Bonds shall mean collectively (i) all of the principal portion of the Pod A 2023 Special Assessments has been assigned to residential units that have been constructed and each has received a certificate of occupancy, and (ii) there shall be no Events of Default under the Indenture with respect to the Pod A 2023 Bonds, each as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of Condition #2 for Reduction of Reserve Requirement, and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

Proceeds of the Pod A 2023 Bonds shall be deposited into the Pod A 2023 Reserve Account in the amount set forth in the Supplemental Indenture, and such moneys, together with any other moneys deposited into the Pod A 2023 Reserve Account shall be applied for the purposes provided in the Indenture. Notwithstanding any provisions in the Master Indenture to the contrary, the District will covenant not to substitute the cash and Investment Securities on deposit in the Pod A 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Pod A 2023 Reserve Account shall remain on deposit therein.

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 Pod A 2023 Reserve Account and transfer any excess therein above the Reserve Requirement for the Pod A 2023 Bonds caused by investment earnings to the Pod A 2023 Revenue Account and applied in accordance with the Supplemental Indenture.

In the event of a Prepayment of Pod A 2023 Special Assessments in accordance with the Supplemental Indenture, forty-five (45) days before the next Quarterly Redemption Date, the District shall recalculate the Pod A 2023 Reserve Requirement, taking into account the amount of Pod A 2023 Bonds that will be Outstanding as a result of such Prepayment of Pod A 2023 Special Assessments, and provide the Trustee with the amount of the excess, and the Trustee shall transfer such amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement, resulting from Pod A 2023 Prepayment Principal, to the Pod A 2023 Prepayment Subaccount to be applied toward the extraordinary redemption of Pod A 2023 Bonds in accordance with the extraordinary mandatory redemption provisions set forth in as an exhibit to the Supplemental Indenture, as a credit against the Pod A 2023 Prepayment Principal otherwise required to be made by the owner of such property subject to Pod A 2023 Special Assessments.

Upon satisfaction of each of Condition #1 for Reduction of Reserve Requirement and Condition #2 for Reduction of Reserve Requirement, as applicable, the amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement shall then be transferred to the Pod A 2023 Acquisition and Construction Account and, upon compliance with the requisition provisions set forth in the Supplemental Indenture, shall, within thirty (30) days of such transfer, be applied to pay any requisitions submitted pursuant to the Supplemental Indenture that remain unpaid ("Unpaid Requisitions"), in full or in part, in chronological order (oldest to newest) based on the date such requisitions were submitted by the District to the Trustee. The Trustee shall not be responsible for reviewing the chronological order of Unpaid Requisitions and may conclusively rely on the District's determination of the chronological order of Unpaid Requisitions. Any requisition submitted in compliance with the prior sentence shall be executed by the District and the Consulting Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared, provided that such Costs of the Pod A 2023 Project were not previously paid from the Pod A 2023 Acquisition and Construction Account. In the event that there are no Unpaid Requisitions at such time as Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, is satisfied, then such excess moneys transferred from the Pod A 2023 Reserve Account to the Pod A 2023 Acquisition and Construction Account shall be deposited into the Pod A 2023 General Redemption Subaccount of the Pod A 2023 Bond Redemption Account upon direction by the District to the Trustee.

Notwithstanding any of the foregoing, amounts on deposit in the Pod A 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Pod A 2023 Bonds to the Pod A 2023 General Redemption Subaccount, if as a result of the application of the provisions of the Master Indenture regarding Events of Default, the proceeds received from lands sold subject to the Pod A 2023 Special Assessments and applied to redeem a portion of the Pod A 2023 Bonds is less than the principal amount of Pod A 2023 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Pod A 2023 Reserve Account pursuant to this paragraph, if the amount on deposit in the Pod A 2023 General Redemption Subaccount is not sufficient to redeem a principal amount of the Pod A 2023 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Pod A 2023 Revenue Account to round up the amount in the Pod A 2023 Prepayment Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Pod A 2023 Revenue Account shall be made upon direction of the District to pay interest on and/or principal of the Pod A 2023 Bonds for the extraordinary mandatory redemption thereof if the deposits required under the paragraphs FIRST through FIFTH below cannot first be made in full.

It shall be an event of default under the Indenture if at any time the amount in the Pod A 2023 Reserve Account is less than the Pod A 2023 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Pod A 2023 Debt Service Requirement and such amount has not been restored within thirty (30) days of such withdrawal.

### **Deposit and Application of the Pod A 2023 Pledged Revenues**

The Indenture establishes a Pod A 2023 Revenue Account within the Revenue Fund for the Pod A 2023 Bonds. Pod A 2023 Special Assessments (except for Prepayments of Pod A 2023 Special Assessments, which shall be identified as such by the District to the Trustee and deposited in the Pod A 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Pod A 2023 Revenue Account and applied as set forth in the Indenture. Pursuant to the Indenture, the Trustee shall transfer from amounts on deposit in the Pod A 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 Interest Payment Date, commencing May 1, 2024, to the Pod A 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Pod A 2023 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Pod A 2023 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, commencing May 1, 20\_\_, to the Pod A 2023 Sinking Fund Account, an amount equal to the principal amount of Pod A 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Pod A 2023 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while the Pod A 2023 Bonds remain Outstanding, to the Pod A 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 Pod A 2023 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Pod A 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 Pod A 2023 Interest Account the amount necessary to pay interest on the Pod A 2023 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Pod A 2023 Costs of Issuance Account upon the written request of the District to cover any deficiencies in the amount allocated to pay the cost of issuing the Pod A 2023 Bonds and next, any balance in the Pod A 2023 Revenue Account shall remain on deposit in such Pod A 2023 Revenue Account, unless needed for the purposes of rounding the principal amount of a Pod A 2023 Bond subject to extraordinary mandatory redemption pursuant to the Supplemental Indenture to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Pod A 2023 Rebate Fund, in which case, the District shall direct the Trustee to make such deposit thereto.

In addition to a redemption of Pod A 2023 Bonds from Prepayments on deposit in the Pod A 2023 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the District, to transfer from the Pod A 2023 Revenue Account to the Pod A 2023 General Redemption Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Pod A 2023 Bonds, as provided in the Supplemental Indenture.

## **Investments**

The Trustee shall, as directed by the District in writing, invest moneys held in the Pod A 2023 Accounts in the Debt Service Fund, the Pod A 2023 Reserve Account, and the Pod A 2023 Bond Redemption Account only in Government Obligations and other 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 Indenture. All securities securing investments under the 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 Indenture, any interest and other income so received shall be deposited in Pod A 2023 Revenue Account. Upon written request of the District, 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. The Trustee shall not be liable or responsible for any loss or entitled to any gain, resulting from any investment or sale upon the investment instructions of the District or otherwise. Unless otherwise directed by the District in writing, the Trustee may make any investments permitted by the Indenture through its own bond department or investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" hereto.

The Trustee shall value the assets in each of the Funds and Accounts established under the 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) Business Days after each such valuation date) shall provide the District a report of the status of each Fund and Account as of the valuation date.

#### **Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner**

For purposes of the following, each Series of Bonds under the Master Indenture secured by and payable from Special Assessments levied against property owned by any Insolvent Taxpayer (defined below) are collectively referred to herein as the "Affected Bonds" and (b) the Special Assessments levied against any Insolvent Taxpayer's property and pledged under one or more Supplemental Indentures as security for the Affected Bonds are collectively referred to herein as the "Affected Special Assessments."

The Master Indenture will contain the following provisions which, pursuant to the Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to the Affected Special Assessments (an "Insolvent Taxpayer") 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 Affected Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the District shall be obligated to act in accordance with any direction from the Trustee with regard to all matters directly or indirectly affecting at least three percent (3%) of the Outstanding aggregate principal amount of the Affected Bonds or for as long as any Affected Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The District will agree that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District will also acknowledge and agree that, although the Affected Bonds were issued by the District, the Owners of the Affected Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District will agree that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected

Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) the District will agree 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 Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (c) to the extent permitted by law, the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the District, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, including without limitation, motions seeking relief from the automatic stay, dismissal the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing. If the Trustee chooses to exercise any such rights, the District 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 District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (d) the District shall not challenge the validity or amount of any claim submitted in such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer 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 District claim and rights with respect to the Affected Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District will agree that the Trustee shall have the right (i) to file a proof of claim with respect to the Affected Special Assessments, (ii) to deliver to the District 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.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in the Indenture shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for "maintenance special assessments," and the District shall be free to pursue such a claim for maintenance special assessments in such manner as it shall deem appropriate. Any actions taken by the District in pursuance of its claim for "maintenance special assessments" in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Affected Special Assessments, whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in this Section. Notwithstanding any provision in the Indenture to the contrary, the District will agree in the Master Indenture that the Trustee shall have thirty (30) days to respond to any request by the District to take action if requested by any party, including the District. See "BONDOWNERS' RISKS – Bankruptcy Risks" herein for more information.

### **Events of Default and Remedies**

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

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

(c) if the District, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act with respect to the Pod A 2023 Bonds, which may be determined by the Majority Holders of the Outstanding Pod A 2023 Bonds; or

(d) if the District 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 District 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 District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or

(e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Pod A 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 District 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 Outstanding Pod A 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 District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) if at any time the amount in the Pod A 2023 Reserve Account is less than the Pod A 2023 Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Pod A 2023 Bonds (or would be less than the Pod A 2023 Reserve Requirement but for the direction of the Majority Holders not to make such withdrawal) and such amount has not been restored within thirty (30) days of such withdrawal (or direction of the Majority Holders not to withdraw); or

(g) if, at any time following issuance of the Pod A 2023 Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District lands upon which the Pod A 2023 Special Assessments are levied to secure the Pod A 2023 Bonds pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid, when due.

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

No Pod A 2023 Bonds shall be subject to acceleration. Upon the occurrence and continuation of an Event of Default, no optional redemption or extraordinary mandatory redemption of the Pod A 2023 Bonds pursuant to the Indenture shall occur unless all of the Pod A 2023 Bonds where an Event of Default has occurred will be redeemed or if 100% of the Holders of the Outstanding Pod A 2023 Bonds agree to such redemption; provided however nothing in this paragraph shall prevent a pro rata default distribution pursuant to the Indenture.

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

(i) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Pod A 2023 Bonds, including, without limitation, the right to require the District to carry

out any agreements with, or for the benefit of, the Pod A 2023 Bondholders and to perform its or their duties under the Act;

- (ii) bring suit upon the Pod A 2023 Bonds;
- (iii) by action or suit in equity require the District to account as if it were the trustee of an express trust for the Holders of the Pod A 2023 Bonds;
- (iv) 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 Pod A 2023 Bonds; and
- (v) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Pod A 2023 Bonds.

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 District, the Trustee, the Paying Agent and the Bondholders shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

The Majority Holders of the Outstanding Pod A 2023 Bonds then subject to remedial proceedings under the Indenture 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.

Anything in the Indenture to the contrary notwithstanding, the District will acknowledge in the Indenture that the Pod A 2023 Pledged Revenues include, without limitation, all amounts on deposit in the Pod A 2023 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee and that, upon the occurrence of an Event of Default with respect to the Pod A 2023 Bonds, (i) the Pod A 2023 Pledged Revenues may not be used by the District (whether to pay Costs of the Pod A 2023 Project or otherwise) without the consent of the Majority Holders of the Pod A 2023 Bonds, and (ii) the Pod A 2023 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture, provided, however notwithstanding anything in the Supplemental Indenture to the contrary the Trustee is also authorized to utilize the Pod A 2023 Pledged Revenues to pay fees and expenses as provided in the Master Indenture.

During the continuance of an Event of Default described in paragraphs (a), (b) or (f) above (a "Payment Related Default"), disbursements from the Pod A 2023 Acquisition and Construction Account shall be made only with the consent of the Majority Holders, except as provided below. During the continuance of a Payment Related Default, the Majority Holders shall have the right to provide direction to the District to terminate, suspend, or proceed under any contracts for construction of the Pod A 2023 Project entered into prior to the occurrence of such Payment Related Default. The Majority Holders may provide such direction at any time during the continuance of such Payment Related Default and shall not be deemed to have waived their right to do so through inaction or delay and may change such direction from time to time.

- (i) Until such time as the Majority Holders provide such direction to the District, disbursements may be made without the consent of the Majority Holders for Costs incurred by the District under construction contracts entered into by the District prior to the occurrence of such Payment Related Default.

(ii) Upon direction by the Majority Holders to proceed under any such contract(s), no consent of the Majority Holders shall be required for disbursements for Costs incurred by the District thereunder until the date of suspension or termination of such contract directed by the Majority Holders described in subparagraph (iii) below.

(iii) Upon direction by the Majority Holders to suspend or terminate such construction contract(s), disbursements for Costs incurred by the District thereunder shall only be made (x) for disbursements for Costs incurred by the District under construction contracts entered into by the District prior to the occurrence of such Payment Related Default and which Costs relate to work performed before the earliest date on which the District is entitled to suspend or terminate such construction contract at the direction of the Majority Holders, or (y) with the consent of the Majority Holders.

Notwithstanding anything to the contrary contained in the Indenture, during the continuance of a Payment Related Default, the consent of the Majority Holders of the Pod A 2023 Bonds shall be required for disbursements for Costs under contracts for the acquisition of Pod A 2023 Project improvements from the Pod A Developer or its affiliates.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Pod A 2023 Bonds is the collection of Pod A 2023 Special Assessments imposed on District lands in the Pod A 2023 Project Area specially benefited by the Pod A 2023 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The imposition, levy, and collection of Pod A 2023 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Manatee County Tax Collector ("Tax Collector") or the Manatee County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Pod A 2023 Special Assessments during any year. Such delays in the collection of Pod A 2023 Special Assessments, or complete inability to collect the Pod A 2023 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Pod A 2023 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Pod A 2023 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Pod A 2023 Bonds.

For the Pod A 2023 Special Assessments to be valid, the Pod A 2023 Special Assessments must meet two requirements: (1) the benefit from the Pod A 2023 Project to the lands subject to the Pod A 2023 Special Assessments must exceed or equal the amount of the Pod A 2023 Special Assessments, and (2) the Pod A 2023 Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Certificate of the Methodology Consultant will certify that these requirements have been met with respect to the Pod B 2023 Special Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Pod A 2023 Special Assessments through a variety of methods. Initially, and for undeveloped properties owned by the Pod A Developer, its successors or assigns, the District will directly issue annual bills to landowners requiring payments of the Pod A 2023 Special Assessments and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto. As the lands securing the Pod A



2023 Special Assessments are platted, the Pod A 2023 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

### **Direct Billing & Foreclosure Procedure**

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Pod A 2023 Special Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Pod A 2023 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District 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 Pod A 2023 Special Assessments and the ability to foreclose the lien of such Pod A 2023 Special Assessments upon the failure to pay such Pod A 2023 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Pod A 2023 Special Assessments. See "BONDOWNERS' RISKS."

### **Uniform Method Procedure**

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Pod A 2023 Special Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Pod A 2023 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Pod A 2023 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (collectively, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and 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 Pod A 2023 Special Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Pod A 2023 Special Assessments. In other words, any partial prepayment by a landowner must be distributed in equal proportion to all taxing districts and levying authorities.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.222 and 197.374, Florida Statutes. Partial payments made pursuant to Sections 197.222 and 197.374, 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. Therefore, in the event the Pod A 2023 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Pod A 2023 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Pod A 2023 Bonds.

Under the Uniform Method, if the Pod A 2023 Special Assessments are paid during November when due or during the following three (3) months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point (1%) per subsequent month, i.e. 3% in December, 2% in January, to 1% in February. No discount is given for payment in March or later. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and 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 District nor the Underwriter can give any assurance to the holders of the Pod A 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 Pod A 2023 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Pod A 2023 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Pod A 2023 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Pod A 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 District for payment of the Pod A 2023 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

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, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or struck off, to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Pod A 2023 Special Assessments), interest, costs and charges on the real property described in the certificate.

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 (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), 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 above.

For any holder, other than the County, a tax certificate expires seven (7) years after the date of issuance if a tax deed has not been applied for and no other administrative or legal proceeding, including a bankruptcy, has existed of record. . After an initial period ending two (2) 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 (7) 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 other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). 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 (2) years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. 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 all other costs to the applicant 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. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. 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, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, 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, certain easements, 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 clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other 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 (3) years from the date the land was offered for public sale, unsold lands escheat to the County in which they are located, free and clear. All tax certificates, accrued taxes, and liens of any nature against the property are canceled and a tax deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Pod A 2023 Special Assessments. For example, the demand for tax 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 District may affect the demand for certificates and the successful collection of the Pod A 2023 Special Assessments, which are the primary source of payment of the Pod A 2023 Bonds. Additionally, 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. See "BONDOWNERS' RISKS."

### **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 sections of this Limited Offering Memorandum. Certain additional risks are associated with the Pod A 2023 Bonds offered hereby and are set forth below. Prospective investors in the Pod A 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 Pod A 2023 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This section does not purport to summarize all risks that may be associated with purchasing or owning the Pod A 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 Pod A 2023 Bonds.

#### **Concentration of Land Ownership**

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

#### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Pod A Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Pod A 2023 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Pod A Developer and any other landowner to pay the Pod A 2023 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Pod A 2023 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Pod A 2023 Special Assessments being collected pursuant to the foreclosure, including Chapter 170, Florida Statutes. In addition, the remedies available to the Owners of the Pod A 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 Pod A 2023 Bonds, including, without limitation, enforcement of the obligation

to pay Pod A 2023 Special Assessments and the ability of the District to foreclose the lien of the Pod A 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 Pod A 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 Pod A 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 District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an Insolvent Taxpayer (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner" herein. The District cannot express any view whether such delegation would be enforceable.

### **Pod A 2023 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Pod A 2023 Bonds is the timely collection of the Pod A 2023 Special Assessments. The Pod A 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 Pod A Developer or subsequent landowners will be able to pay the Pod A 2023 Special Assessments or that they will pay such Pod A 2023 Special Assessments even though financially able to do so. Neither the Pod A Developer nor any other subsequent landowners have any personal obligation to pay the Pod A 2023 Special Assessments. Neither the Pod A Developer nor any subsequent landowners are guarantors of payment of any Pod A 2023 Special Assessments, and the recourse for the failure of the Pod A Developer or any subsequent landowner to pay the Pod A 2023 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Pod A 2023 Special Assessments, as described herein. Therefore the likelihood of collection of the Pod A 2023 Special Assessments may ultimately depend on the market value of the land subject to the Pod A 2023 Special Assessments. While the ability of the Pod A Developer or subsequent landowners to pay the Pod A 2023 Special Assessments is a relevant factor, the willingness of the Pod A Developer or subsequent landowners to pay the Pod A 2023 Special Assessments, which may also be affected by the value of the land subject to the Pod A 2023 Special Assessments, is also an important factor in the collection of Pod A 2023 Special Assessments. The failure of the Pod A Developer or subsequent landowners to pay the Pod A 2023 Special Assessments could render the District unable to collect delinquent Pod A 2023 Special Assessments and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Pod A 2023 Bonds.

### **Regulatory and Environmental Risks**

The development of the District Lands 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 District Lands. See "THE DEVELOPMENT – Development Approvals," herein for more information.

The value of the land within the District, the success of the Development, the development of the Pod A 2023 Project Area and the likelihood of timely payment of principal and interest on the Pod A 2023 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Pod A 2023 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Such information is being provided solely for informational purposes, and nothing herein or in such assessments grants any legal rights or remedies in favor of the Pod A 2023 Bondholders in the event any recognized environmental conditions are later found to be present on District Lands. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. 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 the District or from surrounding property, and what effect such may have on the development or sale of the lands in the Pod A 2023 Project Area.

The value of the lands subject to the Pod A 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 District, such catastrophic events could potentially render the District Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Pod A 2023 Bonds. The Pod A 2023 Bonds are not insured, and the District'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 Pod A 2023 Project Area and the sale of single-family 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 Pod A Developer. Moreover, the Pod A Developer has the right to modify or change plans for development of the Development 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 the District.

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Pod A 2023 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, 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 Pod A 2023 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Pod A 2023 Special Assessments. In addition, lands within the District 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 Pod A 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 Pod A 2023 Special Assessment, even though the landowner is not contesting the amount of the Pod A 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 Pod A 2023 Bonds**

The Pod A 2023 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Pod A 2023 Bonds in the event an Owner thereof determines to solicit purchasers for the Pod A 2023 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Pod A 2023 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Pod A 2023 Bonds, depending on the progress of development of the Development and the lands within Pod A, as applicable, 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 Pod A 2023 Special Assessments, may not adversely affect the timely payment of debt service on the Pod A 2023 Bonds because of the Pod A 2023 Reserve Account. The ability of the Pod A 2023 Reserve Account to fund deficiencies caused by delinquencies in the Pod A 2023 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Pod A 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 District has difficulty in collecting the Pod A 2023 Special Assessments, the Pod A 2023 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Pod A 2023 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Pod A 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 Pod A 2023 Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Pod A 2023 Special Assessments in order to provide for the replenishment of the Pod A 2023 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS – Pod A 2023 Reserve Account" herein for more information about the Pod A 2023 Reserve Account.

## **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Pod A 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 District 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 District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Pod A 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 Pod A 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 District, 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 District were elected by the landowners and none were elected by qualified electors. The Pod A Developer will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act. Such certification by the Pod A 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 District 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 Pod A 2023 Bonds will not be commenced. The District 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 Pod A 2023 Bonds are advised that, if the IRS does audit the Pod A 2023 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the Owners of the Pod A 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 Pod A 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 Pod A 2023 Bonds, it is unlikely the District 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 Pod A 2023 Bonds would adversely affect the availability of any secondary market for the Pod A 2023 Bonds. Should interest on the Pod A 2023 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Pod A 2023 Bonds be required to pay income taxes on the interest received on such Pod A 2023 Bonds and related penalties, but because the interest rate on such Pod A 2023 Bonds will not be adequate to compensate Owners of the Pod A 2023 Bonds for the income taxes due on such interest, the value of the Pod A 2023 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE POD A 2023 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE POD A 2023 BONDS. PROSPECTIVE PURCHASERS OF THE POD A 2023 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE POD A 2023 BONDS IN THE EVENT THAT THE INTEREST ON THE POD A 2023 BONDS BECOMES TAXABLE AND/OR THE DISTRICT 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 Pod A 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 District 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 District's status for purposes of the Code. In such event, the District and purchasers of Pod A 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 Pod A 2023 Bonds would need to ensure that subsequent transfers of the Pod A 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 Pod A 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 Pod A 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 Pod A 2023 Bonds. Prospective purchasers of the Pod A 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 Pod A 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 Development**

The cost to finish the Pod A 2023 Project will exceed the net proceeds from the Pod A 2023 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete

the Pod A 2023 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Pod A 2023 Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS –Additional Bonds" for more information.

Although the Pod A Developer will agree to fund or cause to be funded the completion of the Pod A 2023 Project regardless of the insufficiency of proceeds from the Pod A 2023 Bonds and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Pod A Developer will have sufficient resources to do so. Such obligation of the Pod A Developer is an unsecured obligation, and the Pod A Developer is special-purpose entity whose assets consist primarily of its interests in the Development. See "THE POD A DEVELOPER" herein for more information.

There are no assurances that the Pod A 2023 Project and any other remaining development work associated with the Pod A 2023 Project Area will be completed. Further, there is a possibility that, even if the Pod A 2023 Project Area is developed, the Builder may not close on all or any of the lots therein, and such failure to close could negatively impact the construction and sale of homes in the Pod A 2023 Project Area. The Builder Contract may also be terminated by the Builder upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – The Builder and the Builder Contract" herein for more information about the Builder and the Builder Contract.

### **Pandemics and Other Public Health Emergencies**

The COVID-19 pandemic severely impacted global financial markets, unemployment levels and commerce generally. It is possible that, in the future, the spread of epidemic or pandemic diseases and/or government health and public safety restrictions imposed in response thereto could adversely impact the District, the Pod A Developer, the timely and successful completion of the Development, the purchase of lots therein by the Builder and the construction and sale to purchasers of residential units therein. Such impacts could include delays in obtaining development approvals, construction delays, supply chain delays, or increased costs. See also "BONDOWNERS' RISKS – Economic Conditions and Changes in Development Plans" and "–Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

### **Cybersecurity**

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District 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 District, which could impact the timely payment of debt service on the Pod A 2023 Bonds.

### **Prepayment and Redemption Risk**

In addition to being subject to optional and mandatory sinking fund redemptions, the Pod A 2023 Bonds are subject to extraordinary mandatory redemption, including, without limitation, as a result of prepayments of the Pod A 2023 Special Assessments by the Pod A Developer or subsequent owners of the property within Pod A and the Pod A 2023 Project Area. Any such redemptions of the Pod A 2023 Bonds would be at the principal amount of such Pod A 2023 Bonds being redeemed plus accrued interest to the date of redemption. In such event, Owners of the Pod A 2023 Bonds may not realize their anticipated rate

of return on the Pod A 2023 Bonds and Owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Pod A 2023 Bonds. See "DESCRIPTION OF THE POD A 2023 BONDS – Redemption Provisions," "– Purchase of Pod A 2023 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS – Prepayment of Pod A 2023 Special Assessments" herein for more information

#### **Payment of Pod A 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 District, 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 Pod A 2023 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

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## ESTIMATED SOURCES AND USES OF FUNDS

<u>Source of Funds</u>	<u>Pod A 2023 Bonds</u>
Par Amount	\$ _____
[Net Original Issue Premium/Discount]	_____
Total Sources	\$ _____
 <u>Use of Funds</u>	
Deposit to Pod A 2023 Acquisition and Construction Account	\$ _____
Deposit to Pod A 2023 Reserve Account	_____
Deposit to Pod A 2023 Interest Account <sup>(1)</sup>	_____
Costs of Issuance, including Underwriter's Discount <sup>(2)</sup>	_____
Total Uses	\$ _____

\_\_\_\_\_  
(1) Interest is capitalized through at least \_\_\_\_\_ 1, 20\_\_.

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

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## DEBT SERVICE REQUIREMENTS

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

<b>Year Ended</b> <b>November 1</b>	<b>Pod A 2023 Bonds</b>		<b>Total</b>
	<b>Principal</b>	<b>Interest</b>	

**Total**

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## **THE DISTRICT**

### **General Information**

The District, which is the issuer of the Pod A 2023 Bonds, 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 was established by Ordinance No. 22-12, adopted by the Board of County Commissioners of the County enacted on February 8, 2022, and effective February 8, 2022 (the "Ordinance"). The District encompasses approximately 1,368.60 gross acres of land (the "District Lands") located north of County Road No. 675 (Rutland Road), south of State Road No. 62, and east of 161<sup>st</sup> Avenue East, entirely within the County. The District Lands are being developed as the master-planned community known as "Rye Ranch." See "THE DEVELOPMENT" herein for more information.

The District adopted Resolution 2023-08 on February 15, 2023 confirming its intent to merge the District with the Northlake Stewardship District, a local unit of special purpose government of the State established by the State legislature pursuant to Chapter 2022-248, Laws of Florida. The Northlake Stewardship District currently includes approximately 25,626 gross acres entirely within the County. The merger is anticipated to occur by early 2024 and the surviving district will be known as the Northlake Stewardship District. All of the District's obligations in connection with the issuance of the Pod A 2023 Bonds will be assumed by the Northlake Stewardship District pursuant to a merger agreement.

### **Legal Powers and Authority**

The District is an independent 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 District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities, and basic infrastructure for, among other things: (i) water management and control for lands within the District 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) District roads equal to or exceeding the specifications of the county in which such District roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines; (iv) conservation areas, mitigation areas, and wildlife habitat; (v) any other project, facility, or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District, and (vi) 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 District; (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 District stated in the Act.

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

The Act exempts all property owned by the District 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 District in connection with its bonds, including the Pod B 2023 Bonds.

### **Board of Supervisors**

The Act provides that a five-member Board of Supervisors (the "Board") serves as the governing body of the District. Members of the Board (the "Supervisors") must be residents of the State and citizens of the United States. Initially, the Supervisors are appointed in the Ordinance. Within 90 days after formation of the District, an election is held pursuant to which new Supervisors are elected on an at-large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). A Supervisor serves until expiration of his or her term and until his or her successor is chosen and qualified. If, during a term of office, a vacancy occurs, the remaining Supervisors may fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election held within 90 days after formation of the District, the landowners in the District elect two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected (as their terms expire) by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State 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, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, the District's Board shall call an election at which all Supervisors shall be elected by qualified electors in the District. 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.

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:

Name	Title	Term Expires
Stephen Cerven*	Chairman	November 2026
A. John Falkner*	Vice Chairman	November 2026
Scott Falkner*	Assistant Secretary	November 2024
Jeff Cerven*	Assistant Secretary	November 2024
Roy Cohn*	Assistant Secretary	November 2024

\* Employee of, or affiliated with, the Master Landowner or one of its affiliates.

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 District shall be upon a vote of a majority of the members present unless general law or a rule of the District 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 District is the District Manager (as hereinafter defined). The Act provides that a district manager has charge and supervision of the works of the District 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 District, and for performing such other duties as may be prescribed by the Board.

The District has retained Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located at 2300 Glades Rd., Ste. #410W, Boca Raton, Florida 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of GrayRobinson, P.A., Tampa, Florida, as Bond Counsel and Disclosure Counsel; ZNS Engineering, L.C., Bradenton, Florida, as District Engineer; and Kutak Rock LLP, Tallahassee, Florida, as District Counsel. The Board has also retained the District Manager to serve as Methodology Consultant and prepare the Assessment Methodology and to serve as Dissemination Agent for the Pod A 2023 Bonds.

### **Outstanding Bond Indebtedness**

On September 22, 2023, the District issued its Special Assessment Bonds, Series 2023 (Pod B – Assessment Area One) (the "Pod B 2023 Bonds") in the original aggregate principal amount of \$6,150,000, all of which are currently outstanding. The Pod B 2023 Bonds are secured by the Pod B 2023 Special Assessments, which are levied on lands within Pod B – Assessment Area One of the District, which are separate and distinct from the lands within Pod A that are subject to the Pod A 2023 Special Assessments securing the Pod A 2023 Bonds.

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## THE POD A CAPITAL IMPROVEMENT PLAN AND THE POD A 2023 PROJECT

ZNS Engineering, LC (the "District Engineer") prepared a report entitled Master Engineer's Report – Pod A Project for the Rye Ranch Community Development District, dated November 2, 2022 (the "Master Report"), as supplemented by the report entitled First Supplemental Engineer's Report (Pod A 2023 Project) for the Rye Ranch Community Development District, dated October 2023 (the "Supplemental Report" and collectively with the Master Report, the "Engineer's Report"). The Engineer's Report sets forth certain public infrastructure improvements for the development of the 1,772 single-family residential lots currently planned for Pod A (the "Pod A Capital Improvement Plan"). The District Engineer, in the Engineer's Report estimates the total cost of the Pod A Capital Improvement Plan to be approximately \$98.796 million.

Land development associated with Pod A is scheduled to occur in phases. Multiple project areas are anticipated within Pod A to facilitate the District's financing plans within Pod A. The first phase of land development within Pod A consists of approximately 159 acres of land planned to contain 458 units. The Pod A 2023 Bonds are being issued to finance a portion of the master public infrastructure improvements associated with Phases 2A, 2B and 2C of the Development located within Pod A of the District (the "Pod A 2023 Project"). The District Engineer, in the Engineer's Report, estimates the total cost of the Pod A 2023 Project to be approximately \$32,510,000, as more particularly described below.

<b>Pod A 2023 Project Description</b>	<b>Estimated Costs</b>
Stormwater System	\$ 6,610,000
Public Roadways	10,860,000
Water and Wastewater Utilities	5,440,000
Undergrounding of Conduit	260,000
Landscape/Hardscape/Irrigation	3,810,000
Conservation Areas	170,000
Off-Site Improvements	720,000
Professional Fees	770,000
Contingency	<u>3,870,000</u>
Total	\$32,510,000

Land development associated with Phases 2A, 2B and 2C of the Development commenced in February 2023 and is being sub-phased, with the first sub-phase expected to be completed by January 2024 and final completion of all three sub-phases expected by the fourth calendar quarter of 2024. It is anticipated that all of the lots in Phases 2A, 2B and 2C will be platted by the fourth quarter of 2023. See "THE DEVELOPMENT – Development Plan and Status" herein for more information regarding each sub-phase. As of October 1, 2023, the Pod A Developer has spent approximately \$9.19 million in hard and soft costs towards land development associated with Pod A, a portion of which includes components of the Pod A 2023 Project. The net proceeds of the Pod A 2023 Bonds to be deposited in the Pod A 2023 Acquisition and Construction Account will be approximately \$6.97 million\* and such proceeds will be used by the District towards the funding and/or acquisition of a portion of the Pod A 2023 Project from the Pod A Developer. The Pod A Developer will enter into a completion agreement that will obligate the Pod A Developer to complete the Pod A 2023 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" and "THE DEVELOPMENT – Land Acquisition and Finance Plan" herein.

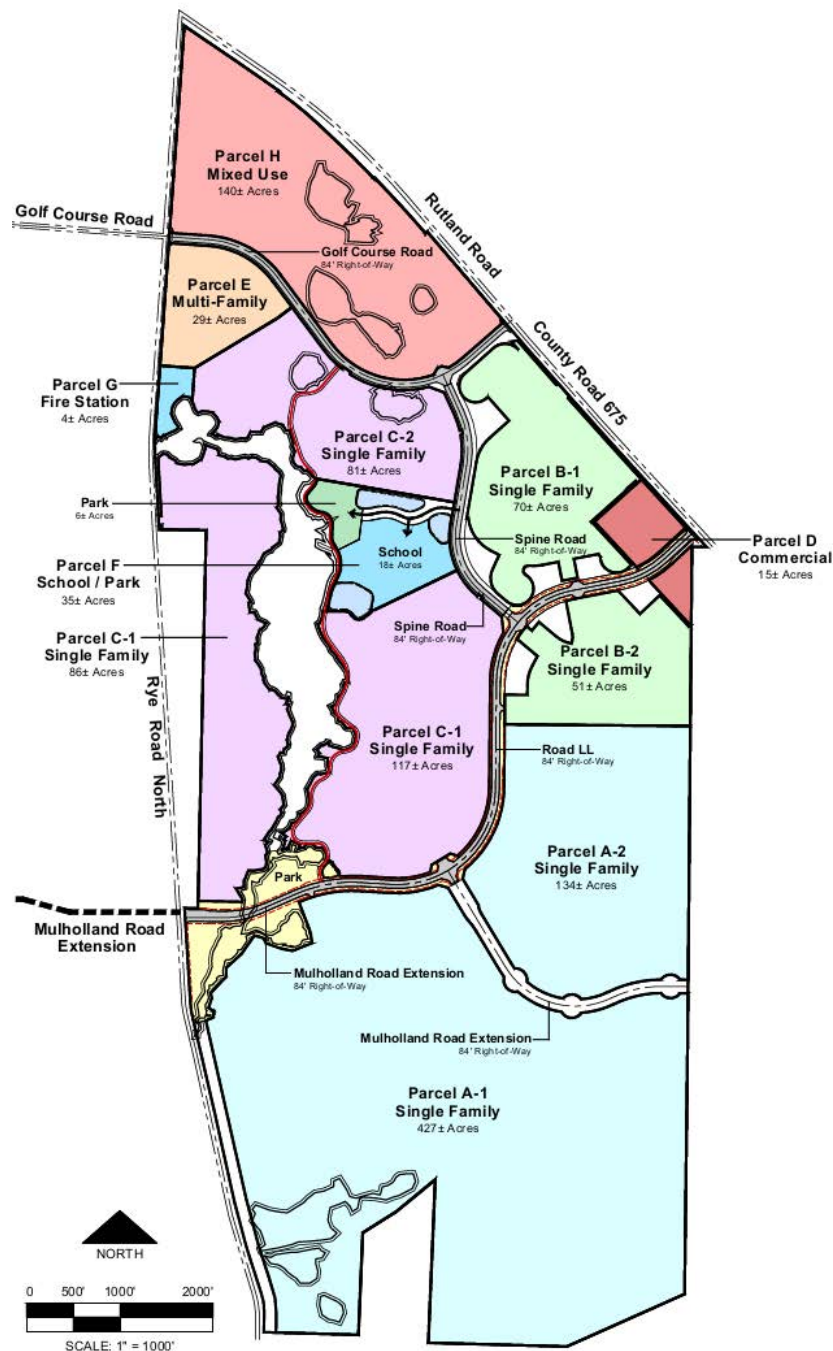
The District Engineer has indicated that all engineering permits necessary to construct the Pod A 2023 Project that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary

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\* Preliminary, subject to change.

course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the zoning and permitting status of the Development. See "APPENDIX C: ENGINEER'S REPORT" attached hereto for more information regarding the above improvements.

Set forth below is a sketch showing the general development plan for the District Lands, which remains subject to change as development progresses.



## ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

The Pod A Project Master Special Assessment Methodology Report dated November 2, 2022 (the "Master Assessment Methodology") as supplemented by the Pod A 2023 Project Preliminary First Supplemental Special Assessment Methodology Report dated October 5, 2023 (the "Supplemental Assessment Methodology" and, together with the Master Assessment Methodology, the "Assessment Methodology"), describe the method of allocation of the Pod A 2023 Special Assessments to certain lands within Pod A, and have been prepared by Wrathell, Hunt & Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Pod A 2023 Bonds are determined, the Supplemental Assessment Methodology will be amended to reflect such final terms. Once levied and imposed, the Pod A 2023 Special Assessments are first liens on the lands within the Pod A 2023 Project Area against which they are assessed until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Pod A 2023 Special Assessments are initially levied on the approximately 561 gross acres within Pod A within the District planned for 1,772 lots. As set forth in the Assessment Methodology, the Pod A 2023 Special Assessments will be assigned to platted lots in Pod A on a first-platted, first-assigned basis and will be fully-assigned upon the platting of not less than 436 equivalent residential units ("ERUs") within Pod A (the "Pod A 2023 Project Area"). It is anticipated that the lien of the Pod A 2023 Special Assessments will be assigned to the 458 planned lots in Phases 2A, 2B and 2C, which is anticipated to occur in the fourth quarter of 2023. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

Upon allocation of the Pod A 2023 Special Assessments to platted lots within the Pod A Project Area, the estimated Pod A 2023 Special Assessments levied and allocated to pay annual debt service on the Pod A 2023 Bonds and the estimated Pod A 2023 Bond par per unit are expected to be as follows:

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Pod A 2023 Special Assessments Per Unit**</b>	<b>Pod A 2023 Bonds Par Debt Per Unit*</b>
Freedom Villa 37.5'	44	\$1,162.50	\$14,794
Freedom Single-Family 50'	97	\$1,550.00	\$19,725
Horton Single-Family 50'	84	\$1,550.00	\$19,725
Horton Single-Family 60'	47	\$1,860.00	\$23,670
Express Single-Family 40'	102	\$1,240.00	\$15,780
Express Single-Family 50'	84	\$1,550.00	\$19,725
<b>Total</b>	<b>458</b>		

\* Preliminary, subject to change.

\*\* Annual assessments assume collection of the Pod A 2023 Special Assessments via the Uniform Method and include a gross up to account for early payment discounts and County collection fees, currently 7% in the aggregate.

The District also anticipates levying annual assessments to cover its operation and maintenance costs. Presently, the District's operational expenses are only administrative in nature and funded by the respective landowners of Pod A, Pod B and Pod C within the District. As the District constructs or acquires improvements, the District will begin to incur maintenance costs. Assessments for operations and maintenance will commence following the District's approval of a future budget.

The land within the District has been and is expected to be subject to taxes and assessments imposed by taxing authorities other than the District. The County, School District of Manatee County, and other

taxing authorities may each levy ad valorem taxes and assessments upon the land in the District. The total millage rate imposed on taxable properties in the District for 2022 was approximately 13.8306 mills, which millage rate is subject to change in future years. In addition, voter-approved millages levied for general obligation bonds, as to which no limit applies, may also be levied by the County and the School District of Manatee County upon the land in the District. The District 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. These taxes would be payable in addition to the Pod B 2023 Special Assessments and any other assessments levied by the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information including expected homeowners association fees.

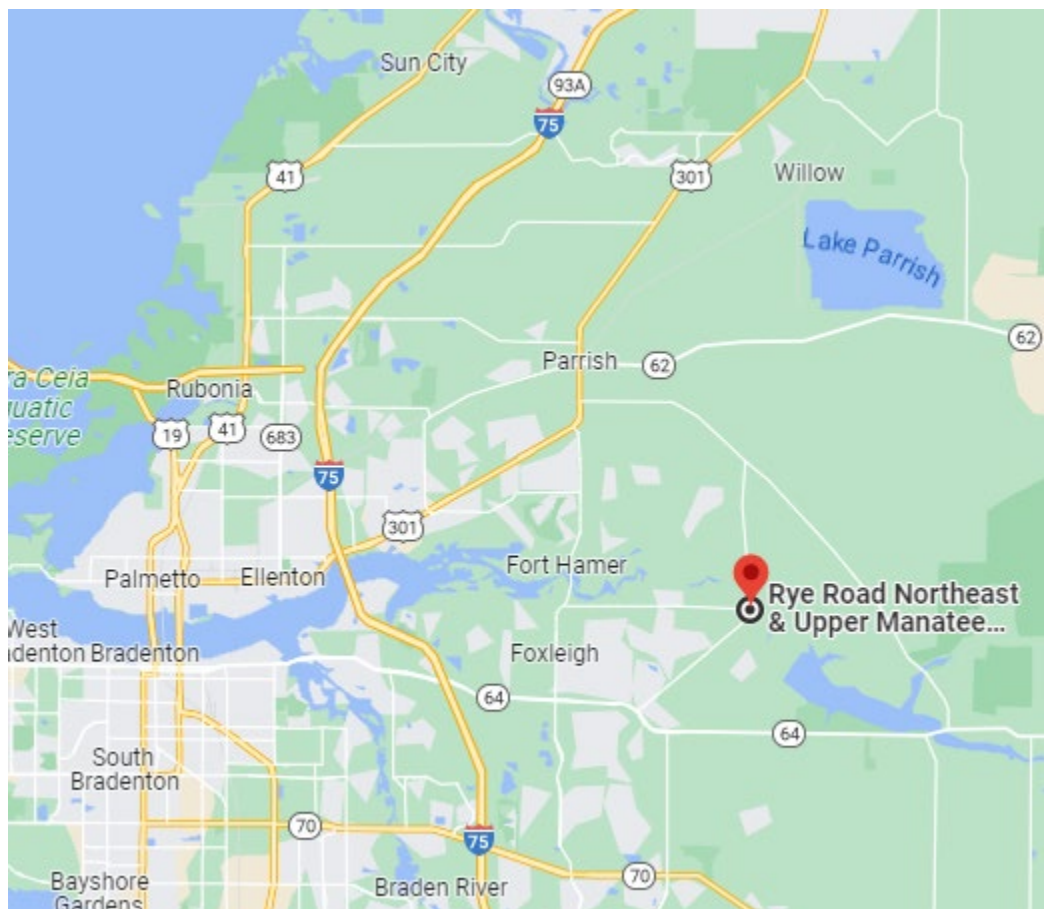
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*The information appearing below under the captions "THE DEVELOPMENT" and "THE POD A DEVELOPER" has been furnished by the Pod A Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has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

## **THE DEVELOPMENT**

### **The Development Overview**

The District Lands encompass approximately 1,368.60 gross acres located in the northern portion of unincorporated Manatee County, Florida (the "County") and are being developed as a master-planned community known as "Rye Ranch" (the "Development"). The Development is generally located south and west of CR 675 (Rutland Road), east of North Rye Road, and north of Upper Manatee River Road. The Development is located 5.5 miles east of U.S. Highway 301 and approximately 11 miles east of Interstate 75, two main transportation arteries that run along the Florida Gulf Coast. The Development is in close proximity to other projects including Aviary at Rutland Ranch, Canoe Creek, Cross Creek and North River Ranch, as well as Lakewood Ranch. Set forth below is a map showing the general location of the Development.



At buildout, the Development is planned to contain approximately 3,500 residential units, as well as commercial and other uses. The Development is part of a larger regional development, which encompasses the Development along with the lands in the Northlake Stewardship District (currently approximately 25,626 gross acres), and includes a variety of land uses. Rye Ranch, LLC, a Florida limited liability company (the "Master Landowner"), is the primary landowner of lands in the Development. North Lake Communities, Inc., a Florida corporation (the "Master Developer"), is the master developer of the Development.

Approximately 1,064 of the approximately 1368.60 acres within the Development have been broken into separate development pods: Pod A, Pod B, and Pod C. Each Pod has been or is expected to be sold to a land developer who will develop the pod. Pod A consists of approximately 561 acres of land and is planned to contain approximately 1,772 single-family residential units at buildout. SK Rye Road LLC, a Delaware limited liability company (the "Pod A Developer"), is developing the land within Pod A and is currently under contract to sell finished lots to D.R. Horton (as defined herein). Pod B contains approximately 139.42 acres and is planned for approximately 533 single-family residential units. Lennar Homes, LLC, a Florida limited liability company ("Lennar Homes"), owns a portion of Pod B currently planned for 297 units, is under contract to acquire the remaining portion of Pod B. Lennar Homes is currently in the process of developing the first phase of Pod B and plans to construct and sell homes for sale. Pod C contains approximately 363 acres and is planned for approximately 800 single-family residential units. A portion of Pod C is under contract with Weekley Homes, LLC. The remaining approximately 304.6 acres of land in the Development are planned for an elementary school, commercial, mixed-use and multi-family parcels, and additional single-family parcels, as well as lands planned for rights of way, open space and recreational facilities and are not part of Pod A.

### **Pod A**

Pod A consists of approximately 561 acres of land which is planned to contain 1,772 single-family residential units at buildout. The Pod A Developer is the landowner and developer for the units planned within Pod A. The Pod A Developer has entered into a builder contract with D.R. Horton for the sale of 1,772 developed single-family residential lots in Pod A, including all 458 lots planned within Phases 2A, 2B and 2C in a series of takedowns upon development completion. D.R. Horton is expected to market homes within Pod A under three of its different brands – Express Homes, D.R. Horton, and Freedom Homes – each of which caters to a different target buyer market, including entry level buyers, move-up buyers, and age-restricted/retirees, respectively. See "The Builder Contract and the Builder" and "Residential Product Offerings" herein for more information.

Pod A will be developed in multiple phases. The first phase of land development within Pod A consists of the approximately 159 acres of land in Phases 2A, 2B and 2C that are planned to contain 458 single-family residential units. The remaining phases are expected to be financed and developed in the future.

The Pod A 2023 Bonds are being issued to finance a portion of the public infrastructure improvements associated with Phases 2A, 2B and 2C. The Pod A 2023 Bonds are payable from and secured by a pledge of the Pod A 2023 Pledged Revenues, which consist primarily of the revenues received by the District from the Pod A 2023 Special Assessments. The Pod A 2023 Special Assessments are initially levied on the approximately 561 gross acres within Pod A within the District planned for 1,772 lots. As set forth in the Assessment Methodology, the Pod A 2023 Special Assessments will be assigned to platted lots in Pod A on a first-platted, first-assigned basis and will be fully-assigned upon the platting of not less than 436 equivalent residential units ("ERUs") (anticipated to be approximately 458 units based on the Pod A Developer's development plan) within Pod A (the "Pod A 2023 Project Area"), which is anticipated to occur

in the fourth quarter of 2023. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "Taxes, Fees and Assessments" herein for more information.

The District anticipates issuing additional bonds in the future to finance additional public infrastructure improvements in the District. Such bonds will be secured by lands which are separate and distinct from the land subject to the Pod A 2023 Special Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE POD A 2023 BONDS – Additional Bonds" herein for more information.

### **Land Acquisition and Finance Plan**

The Pod A Developer acquired the land comprising the 561 acres of Pod A on December 22, 2021, from the Master Landowner for \$54,000,000, which was paid for with approximately (i) \$15,050,000 of equity, (ii) \$14,475,000 in deposits from the Builder Contract (as defined herein), and (iii) \$24,475,000 in proceeds from an acquisition and development loan (the "Third Coast Bank Loan") from Third Coast Bank SSB, a Texas state savings bank ("Third Coast Bank").

The Pod A Developer estimates that the total land development costs associated with Phases 2A, 2B and 2C to be approximately \$36.5 million, consisting of the costs of the Pod A 2023 Project and other hard and soft costs. See "Development Approvals" herein for more information regarding the Pod A Developer's obligations regarding certain offsite and master improvements. Development costs are expected to be funded with net proceeds from the Pod A 2023 Bonds in the amount of approximately \$6,970,000\* and from equity and the Third Coast Bank Loan. As of October 1, 2023, the Pod A Developer has spent approximately \$9.19 million on hard and soft costs towards land development, a portion of which has been spent towards the Pod A 2023 Project. The Pod A Developer will enter into a completion agreement that will obligate the Pod A Developer to complete the Pod A 2023 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

The Third Coast Bank Loan is a revolving acquisition and development loan with a maximum borrowing amount of \$30,000,000, which may be increased to \$35,000,000 at Third Coast Bank's discretion, and which may be limited in the event the Pod A Developer does not meet certain lot development thresholds. The Third Coast Bank Loan accrues interest at the greater of (i) SOFR plus 3.20% or (ii) 4.5%, and was outstanding in the principal amount of \$24,672,022.15 (representing acquisition and loan modification costs) as of October 1, 2023. The Third Coast Bank Loan requires monthly payments of interest, with principal payable at the time of lot closings, and matures on June 14, 2026. The Third Coast Bank Loan is secured by a mortgage on the lands within Pod A and provides for a partial release price upon lot sales of not less than 80% of the net sales price of such lots.

### **Development Plan and Status**

Land development associated with Phases 2A, 2B and 2C commenced in February 2023. All lots within Phases 2A, 2B and 2C are expected to be platted by the fourth quarter of 2023. Parcel specific infrastructure installation associated with Phases 2A, 2B and 2C is expected to be sub-phased, as follows.

Phase 2A. Phase 2A of Pod A is planned to contain 198 lots, consisting of two Freedom Homes Villas, one Freedom Homes single-family home on a 50' wide lot, 43 D.R. Horton single-family homes on 50' wide lots, 25 D.R. Horton single-family homes on 60' wide lots, 79 Express Homes single-family homes on 40' wide lots, and 48 Express Homes single-family homes on 50' wide lots ("Phase 2A"). Land

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\* Preliminary, subject to change.



development associated with Phase 2A commenced in February 2023, with completion expected by the first calendar quarter of 2024, at which point lots will be delivered to the Builder in accordance with the Builder Contract and sales and vertical construction will commence.

Phase 2B. Phase 2B of Pod A is planned to contain 122 lots, consisting of 41 D.R. Horton single-family homes on 50' wide lots, 22 D.R. Horton single-family homes on 60' wide lots, 23 Express Homes single-family homes on 40' wide lots, and 36 Express Homes single-family homes on 50' wide lots ("Phase 2B"). Land development associated with Phase 2B commenced in July 2023, with completion expected by September 2024.

Phase 2C. Phase 2C of Pod A is planned to contain 138 lots, consisting of 42 Freedom Homes Villas and 96 Freedom Homes single-family homes on 50' wide lots ("Phase 2C"). Land development associated with Phase 2C is expected to commence in October 2023, with completion expected by December 2024.

Pod A is expected to have a sales center with 7 model homes, construction of which is expected to be completed by the second quarter of 2024. Closings with homebuyers are anticipated to commence by the fourth quarter of 2024.

The Pod A Developer anticipates that approximately 300 units will be sold and closed by the Builder with homebuyers per annum until build out. This anticipated absorption is based upon estimates and assumptions made by the Pod A Developer that are inherently uncertain, though considered reasonable by the Pod A 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 Pod A Developer. As a result, there can be no assurance such absorption rate will occur or be realized in the time frame anticipated.

### **The Builder and the Builder Contract**

The Pod A Developer has entered into a contract with D.R. Horton, Inc., a Delaware corporation ("D.R. Horton" or the "Builder"), for 1,772 developed single-family residential lots in Pod A, including all 458 lots planned within Phases 2A, 2B and 2C of the Pod A 2023 Project Area (the "Builder Contract"). The Builder Contract provides for a base purchase price of \$75,000 per Villa lot, \$80,000 per 40' lot, \$100,000 per 50' lot and \$120,000 per 60' lot, which are subject to a 5% annual increase beginning on the first anniversary of the initial closing date and all as subject to adjustment as provided in the Builder Contract. The total expected consideration for the sale of all 458 lots planned within Phases 2A, 2B and 2C of the Pod A 2023 Project Area is approximately \$45,500,000 and for all of the 1,772 lots is approximately \$168.5 million, all of which is subject to adjustment as provided for in the Builder Contract. A true-up fee will be calculated and added to the base purchase price for the last 850 lots under the contract.

Pursuant to the Builder Contract, D.R. Horton made a deposit of \$13,151,470, which has been released to the Pod A Developer and is secured by a mortgage on the Pod A Developer's lands within Pod A. The Builder Contract provides for an initial closing of 150 lots within 30 days after the substantial completion date as defined in the Builder Contract. The Pod A Developer anticipates that this initial closing will occur in the fourth quarter of 2023. The Builder Contract provides for additional closings of 100 lots every 90 days thereafter until the eleventh closing at which time it provides for 120 lots every closing until all 1,772 lots have been acquired. The Pod A Developer has certain development obligations under the Builder Contract, including obligations to construct an entrance feature and certain recreational amenities. There is a risk that D.R. Horton may not close on any lots pursuant to the Builder Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

D.R. Horton is a Delaware corporation whose stock trades on the New York Stock Exchange under the symbol DHI. D.R. Horton is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements, and other information with the SEC. The SEC file number for D.R. Horton is No-1-14122. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by D.R. Horton pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

*Neither the Builder nor any entities listed herein are guaranteeing payment of the Pod A 2023 Bonds or the Pod A 2023 Special Assessments.*

### **Residential Product Offerings**

The Builder intends to market homes within Pod A under three of its different brands – Express Homes, D.R. Horton, and Freedom Homes – each of which caters to a different target buyer market, including entry level buyers, move-up buyers, and age-restricted/retirees, respectively. Set forth below is a summary of the expected types of units and price points for units within Pod A.

<b>Brand/Market</b>	<b>Product Type</b>	<b>Square Footage</b>	<b>Beds/Baths</b>	<b>Starting Price Point</b>
Freedom (55+)	Villas	1,565	3 / 2	\$357,990 - \$360,990
Freedom (55+)	Single-Family 50'	1,816 - 2,034	3-4 / 2	\$410,990 - \$465,990
D.R. Horton (Move-Up)	Single-Family 50'	1,844 - 3,313	3-5 / 2-3	\$423,990 - \$531,990
D.R. Horton (Move-Up)	Single-Family 60'	2,372 - 3,975	4-5 / 3-4.5	\$487,990 - \$619,990
Express Homes (Entry)	Single-Family 40'	1,504 - 2,447	3-5 / 2-3	\$360,990 - \$425,990
Express Homes (Entry)	Single-Family 50'	1,672 - 2,601	3-5 / 2-3	\$387,990 - \$444,990

### **Development Approvals**

The land within the District, including, without limitation, the land therein subject to the Pod A 2023 Special Assessments, is zoned to allow for the contemplated single-family residential uses described herein. All permits have been received by jurisdictional agencies to allow for the development contemplated herein or are reasonably expected to be received in the ordinary course.

Pursuant to a Development Agreement dated December 22, 2021, by and between the Master Landowner and the Pod A Developer (the "Development Agreement"), the Master Landowner, or its assigns, is obligated to cause completed utilities and segments of Mulholland Road and CC Road to be constructed (collectively, the "Offsite Improvements"). An entity related to the Master Landowner has commenced construction of the Offsite Improvements, with completion expected in the fourth quarter of 2023. The Mulholland Road and CC Road improvements will provide a second means of access to Phase 2A, 2B and 2C of Pod A, which is required by the issuance of the 100th certificate of occupancy within Phase 2A. The portion of the Offsite Improvements necessary to provide master utilities and a second means of access to Phases 2A, 2B and 2C is expected to cost approximately \$5 million. Pursuant to the Development Agreement, the Master Landowner has escrowed \$4.7 million for the Offsite Improvements, which gets released back in increments upon certain development milestones being met. In the event of a default by the Master Landowner under the Development Agreement, the Pod A Developer has certain self-help rights as it pertains to construction of the Offsite Improvements. In addition, the Development Agreement provides for the Master Landowner, or its assigns, to cause for the installation of certain trails

and parks with the Pod A Developer obligated to reimburse the Master Landowner, or its assigns, for the related costs. An entity related to the Master Landowner commenced construction of a portion of the trails and parks in the summer of 2023. The expected costs of such trails and parks is expected to be approximately \$3 million and such improvements are expected to be completed over time as Pod A is developed. The Development Agreement has extensive approval requirements, imposes Marketing Fees, provides for a Master HOA which will assess the Pod A property and gives the Master Landowner exclusive rights to provide for communications services.

## **Environmental**

An affiliate of the Pod A Developer obtained a Phase I Environmental Site Assessment, dated November 23, 2021 (the "ESA"), covering approximately 847.46 acres of land in the Development, including all of Pod A. The ESA did not identify any recognized environmental conditions in connection with such lands. See "BONDOWNERS' RISK - Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Amenities**

Pod A is planned to contain a Primary Neighborhood and a Freedom Neighborhood. The Primary Neighborhood will include one main amenity, which will consist of a pool, clubhouse, fitness room, meeting rooms, and offices for any lifestyle directors (collectively, the "Primary Amenity"). Construction of the Primary Amenity is expected to commence in December 2023 and is expected to be completed by August 2025 at a total approximate cost of \$3 million. The Freedom Neighborhood will include one main amenity, which will consist of a pool, clubhouse, fitness room, meeting rooms, offices for any lifestyle directors (collectively, the "Freedom Amenity"). Construction of the Freedom Amenity is expected to commence in November 2024 and is expected to be completed by May 2026 at a total approximate cost of \$2.5 million. The Primary Amenity is being constructed and financed by the Pod A Developer and is expected to be owned and operated by the homeowners' association.

## **Utilities**

Potable water and wastewater treatment for the Development will be provided by the County. Electric power is expected to be provided by Florida Power & Light. All utility services are or will be available to the property when needed.

## **Taxes, Fees and Assessments**

The Pod A 2023 Special Assessments are initially levied on the approximately 561 gross acres within Pod A within the District planned for 1,772 lots. As set forth in the Assessment Methodology, the Pod A 2023 Special Assessments will be assigned to platted lots in Pod A on a first-platted, first-assigned basis and will be fully-assigned upon the platting of not less than 436 equivalent residential units ("ERUs") within Pod A (the "Pod A 2023 Project Area"). It is anticipated that the lien of the Pod A 2023 Special Assessments will be assigned to the 458 planned lots in Phases 2A, 2B and 2C, which is anticipated to occur in the fourth quarter of 2023. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

Upon allocation of the Pod A 2023 Special Assessments to platted lots within the Pod A Project Area, the estimated Pod A 2023 Special Assessments levied and allocated to pay annual debt service on the Pod A 2023 Bonds and the estimated Pod A 2023 Bond par per unit are expected to be as follows:

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Pod A 2023 Special Assessments Per Unit**</b>	<b>Pod A 2023 Bonds Par Debt Per Unit*</b>
Freedom Villa 37.5'	44	\$1,162.50	\$14,794
Freedom Single-Family 50'	97	\$1,550.00	\$19,725
Horton Single-Family 50'	84	\$1,550.00	\$19,725
Horton Single-Family 60'	47	\$1,860.00	\$23,670
Express Single-Family 40'	102	\$1,240.00	\$15,780
Express Single-Family 50'	<u>84</u>	<u>\$1,550.00</u>	<u>\$19,725</u>
<b>Total</b>	<b>458</b>		

\* Preliminary, subject to change.

\*\* Annual assessments assume collection of the Pod A 2023 Special Assessments via the Uniform Method and include a gross up to account for early payment discounts and County collection fees, currently 7% in the aggregate.

The District also anticipates levying annual assessments to cover its operation and maintenance costs. Presently, the District's operational expenses are only administrative in nature and are funded by the respective landowners of Pod A, Pod B and Pod C within the District. As the District constructs or acquires improvements, the District will begin to incur maintenance costs. Assessments for operations and maintenance will commence following the District's approval of a future budget. In addition, residents will be required to pay master homeowners association and neighborhood association fees, which are currently estimated to be \$100 per month per unit in the Primary Neighborhood and \$300 per month per unit in the Freedom Neighborhood.

The land within the District has been and is expected to be subject to taxes and assessments imposed by taxing authorities other than the District. The County, School District of Manatee County, and other taxing authorities may each levy ad valorem taxes and assessments upon the land in the District. The total millage rate imposed on taxable properties in the District for 2022 was approximately 13.8306 mills, which millage rate is subject to change in future years. In addition, voter-approved millages levied for general obligation bonds, as to which no limit applies, may also be levied by the County and the School District of Manatee County upon the land in the District. The District 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. These taxes would be payable in addition to the Pod A 2023 Special Assessments and any other assessments levied by the District.

## Education

The public schools for children residing in the Development are initially expected to be Gene Witt Elementary School, Buffalo Creek Middle School, and Parrish Community High, which are located approximately 3.5 miles, 8 miles, and 5 miles from the Development, respectively, and which were rated A, C and C, respectively, by the Florida Department of Education in 2022. The Master Landowner has entered into a purchase agreement with the Manatee County School Board to sell the School Board an elementary school site within the Development. Assuming the purchase and sale of the elementary school site is consummated, it is anticipated the elementary school within the Development will be operational by the 2026-2027 school year. The Manatee County School Board may change school boundaries from time to time and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

## **Competition**

The following communities have been identified by the Pod A Developer as being competitive with the Development, because of their proximity to the Development, price ranges and product types. Those communities include Aviary at Rutland Ranch, Canoe Creek, Cross Creek, North River Ranch, Summerwoods, Trevesta, and Lakewood Ranch.

The information under this heading does not purport to list all of the existing or planned communities in the area of the Development, but rather provide a list of those that the Pod A Developer feels pose primary competition to the Development.

## **Developer Agreements**

The Pod A Developer will enter into a completion agreement evidencing the Pod A Developer's obligation to complete any portions of the Pod A 2023 Project not funded with proceeds of the Pod A 2023 Bonds.

In addition, the Pod A Developer will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (Pod A 2023 Project) dated the Closing Date (the "Collateral Assignment"), pursuant to which the Pod A Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Pod A Developer, development rights relating to the Pod A 2023 Project. That said, Third Coast Bank and the Builder may have certain development rights and other rights assigned to them under the terms of the Third Coast Bank Loan or Builder Contract, respectively, relating to the development of Pod A, 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 Assignment, in the event the District forecloses on the lands subject to the Pod A 2023 Special Assessments as a result of a Developer's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Pod A 2023 Project or the development of the Pod A 2023 Project Area.

Finally, the Pod A Developer will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that Pod A 2023 Special Assessment principal levels remaining on unplatted lands in the Pod A 2023 Project Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Pod A Developer are unsecured obligations, and the Pod A Developer is a special-purpose entity whose assets consist primarily of its interests in Pod A of the Development. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" and "THE POD A DEVELOPER" herein for more information regarding the Pod A Developer.

## **THE POD A DEVELOPER**

SK Rye Road LLC, a Delaware limited liability company (the "Developer") is the owner and developer of the lands in Pod A. The Pod A Developer is managed by The Kolter Group LLC, a Florida limited liability company (the "Kolter Group"). The Pod A Developer's sole member is SK JV4 LLC, a Delaware limited liability company ("JV4").

## **Kolter Group**

Kolter Group is a private investment firm focused on real estate development and investment and based in Delray Beach, Florida. Kolter Group and its predecessors and affiliates (collectively, "Kolter"), currently include four residential development business units, detailed below. Kolter has sponsored over \$24 billion of real estate projects throughout the southeastern United States (including Florida, Georgia, South Carolina, North Carolina and Tennessee). In Florida alone, Kolter has completed or is in the process of developing over 100 projects that are expected to total over 50,000 homesites.

Kolter Land LLC, together with certain of its affiliates (collectively, "Kolter Land"), is focused on land investment and development of finished lots for sale typically to third party homebuilders. The focus is on projects that will deliver 250 to 1,000 lots and deliver affordable product with amenities and proximity to employment centers. Kolter Land has completed or is in the process of developing over 80 projects that are expected to total over 40,000 finished lots to homebuilders, including many public-traded homebuilders.

Kolter Homes LLC, together with certain of its affiliates (collectively, "Kolter Homes"), is focused on the development, construction and sale of 500 to 1,500 for-sale single-family units, often as Cresswind branded, age-restricted, amenity-rich master-planned communities, with additional focus on smaller traditional and age-targeted add-on communities of 100 to 500 homes. Kolter Homes has completed or is in the process of developing over 41 projects that are expected to total over 25,000 residences across Florida, Georgia, South Carolina, and North Carolina,

Kolter Urban LLC, together with certain of its affiliates (collectively, "Kolter Urban"), is focused on the development of luxury condominium communities of 50 to 500 residences in waterfront, water view or downtown walkable locations. Kolter Urban has completed or is in the process of developing over 25 residential projects that are expected to total over 5,000 residences located in some of the most desirable locations in Florida and the Southeast, including the Palm Beaches, Fort Lauderdale, Sarasota, St. Petersburg, Tampa and Atlanta.

Kolter Multifamily LLC, together with certain of its affiliates (collectively, "Kolter Multifamily"), is focused on the development of market-rate and affordable rental communities of 200 to 350 units with proximity to employment and shopping. Kolter Multifamily's urban and suburban rental communities are strategically located to allow residents to enjoy the very best of the surrounding area, with prime locations and on-site amenities that create enduring value. Kolter Multifamily has completed or is in the process of developing 11 projects that are expected to total over 3,000 units.

## **JV4**

Approximately 71% of the membership interests in JV4 are owned and controlled by SK JV4 Investor LLC, a Delaware limited liability company ("SK JV4"), an affiliate of Sculptor Real Estate, the real estate business of Sculptor Capital Management, Inc. The remaining membership interests in JV4 (approximately 29%) are held by KC 9W57TH Funding 4 LLC, a Florida limited liability company ("KC 9W57th Funding"), which is affiliated with and managed by The Kolter Group LLC. Pursuant to JV4's limited liability company agreement, SK JV4 and KC 9W57th Funding are the manager and administrator of JV4, respectively. As administrator, KC 9W57th Funding generally manages the day-to-day operations of JV4.

According to its website, Sculptor Capital Management, Inc. ("Sculptor") is a global alternative asset management firm with over \$35 billion in assets under management specializing in real estate, credit, and multi-strategy investment products. Sculptor's real estate business was founded in 2003 and has raised approximately \$8.1 billion of dedicated real estate capital and has completed more than 193 transactions

across 28 diverse real estate asset classes. Sculptor's common stock trades on the New York Stock Exchange under the ticker symbol SCU. Sculptor is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements and other information, including financial statements, with the SEC. The SEC file number for Sculptor is No-001-33805. Such reports, proxy statements, and other information can be found at the SEC's internet website at <http://www.sec.gov>. All documents subsequently filed by Sculptor pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in such manner as the SEC prescribes.

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

## **TAX MATTERS**

### **Federal Income Taxes**

The delivery of the Pod A 2023 Bonds is subject to the opinion of GrayRobinson, P.A., Bond Counsel, to the effect that the interest on the Pod A 2023 Bonds is excluded from gross income of the owners thereof for federal income tax purposes. The Internal Revenue Code of 1986, as amended (the "Code"), imposes certain requirements that must be met subsequent to the issuance and delivery of the Pod A 2023 Bonds for interest thereon to be and remain excluded from gross income for federal income tax purposes. Noncompliance with such requirements could cause the interest on the Pod A 2023 Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the Pod A 2023 Bonds. Pursuant to the Indenture and the Tax Certificate, the District has covenanted to comply with the applicable requirements of the Code in order to maintain the exclusion of the interest on the Pod A 2023 Bonds from gross income for federal income tax purposes pursuant to Section 103 of the Code. The opinion of Bond Counsel on federal tax matters with respect to the Pod A 2023 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Pod A Developer, and compliance with certain covenants of the District to be contained in the transcript of proceedings. Bond Counsel will not independently verify the accuracy of those certifications and representations.

In the opinion of Bond Counsel, under existing law and assuming compliance with the aforementioned covenant, and the accuracy of certain representations and certifications made by the District described above, interest on the Pod A 2023 Bonds is excluded from gross income for federal income tax purposes under Section 103 of the Code. Bond Counsel, is also of the opinion that such interest is not treated as a preference item in calculating the alternative minimum tax imposed under the Code. However, for taxable years beginning after December 31, 2022, interest on the Pod A 2023 Bonds will be taken into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

### **State Taxes**

Bond Counsel is of the opinion that the Pod A 2023 Bonds and the interest thereon will not be subject to taxation under the laws of the State, except estate taxes and taxes under Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined therein. Bond Counsel expresses no opinion as to other State or local tax consequences arising with respect to the Pod A 2023 Bonds or as to the taxability of the Pod A 2023 Bonds or the income therefrom under the laws of any state other than the State.

## **[Original Issue Discount and Premium Bonds]**

[Certain of the Pod A 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 Pod A 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 Pod A 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.]

## **Ancillary Tax Matters**

Ownership of the Pod A 2023 Bonds may result in other federal tax consequences to certain taxpayers, including, without limitation, certain S corporations, foreign corporations with branches in the United States, property and casualty insurance companies, individuals receiving Social Security or Railroad Retirement benefits, individuals seeking to claim the earned income credit, and taxpayers (including banks, thrift institutions and other financial institutions) who may be deemed to have incurred or continued indebtedness to purchase or to carry the Pod A 2023 Bonds. Prospective investors are advised to consult their own tax advisors regarding these rules.

Interest paid on tax-exempt obligations such as the Pod A 2023 Bonds is subject to information reporting to the IRS in a manner similar to interest paid on taxable obligations. In addition, interest on the Pod A 2023 Bonds may be subject to backup withholding if such interest is paid to a registered owner that (a) fails to provide certain identifying information (such as the registered owner's taxpayer identification number) in the manner required by the IRS, or (b) has been identified by the IRS as being subject to backup withholding.



Bond Counsel is not rendering any opinion as to any federal tax matters other than those described in the opinions attached as APPENDIX B. Prospective investors, particularly those who may be subject to special rules described above, are advised to consult their own tax advisors regarding the federal tax consequences of owning and disposing of the Pod A 2023 Bonds, as well as any tax consequences arising under the laws of any state or other taxing jurisdiction.

### **Changes in Law and Post Issuance Events**

Legislative or administrative actions and court decisions, at either the federal or state level, could have an adverse impact on the potential benefits of the exclusion from gross income of the interest on the Pod A 2023 Bonds for federal or state income tax purposes, and thus on the value or marketability of the Pod A 2023 Bonds. This could result from changes to federal or state income tax rates, changes in the structure of federal or state income taxes (including replacement with another type of tax), repeal of the exclusion of the interest on the Pod A 2023 Bonds from gross income for federal or state income tax purposes, or otherwise. It is not possible to predict whether any legislative or administrative actions or court decisions having an adverse impact on the federal or state income tax treatment of holders of the Pod A 2023 Bonds may occur. Prospective purchasers of the Pod A 2023 Bonds should consult their own tax advisors regarding the impact of any change in law on the Pod A 2023 Bonds.

Bond Counsel's opinions will be based on existing law, which is subject to change. Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance and delivery of the Pod A 2023 Bonds may affect the tax status of interest on the Pod A 2023 Bonds. Bond Counsel expresses no opinion as to any federal, state or local tax law consequences with respect to the Pod A 2023 Bonds, or the interest thereon, if any action is taken with respect to the Pod A 2023 Bonds or the proceeds thereof upon the advice or approval of other counsel. Moreover, the opinions of Bond Counsel are not a guarantee of a particular result and are not binding on the IRS or the courts; rather, such opinions represent 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 opinions.

### **AGREEMENT BY THE STATE**

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the Pod A 2023 Bonds, that it will not limit or alter the rights of the District 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 Pod A 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, and constitute securities that 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 Pod A 2023 Bonds may initially be sold by the District 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 Pod A 2023 Bonds. Investment in the Pod A 2023 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any information or 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 either of the foregoing.

## **ENFORCEABILITY OF REMEDIES**

The remedies available to the Owners of the Pod A 2023 Bonds upon an Event of Default 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, including the federal bankruptcy code, the remedies specified by the Indenture and the Pod A 2023 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Pod A 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 District**

There is no litigation of any nature now pending or, to the knowledge of the District threatened, against the District seeking to restrain or enjoin the issuance, sale, execution or delivery of the Pod A 2023 Bonds, or in any way contesting or affecting (i) the validity of the Pod A 2023 Bonds or any proceedings of the District 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 Pod A 2023 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

### **The Pod A Developer**

The Pod A Developer has represented that there is no litigation of any nature now pending or, to the knowledge of the Pod A Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the completion of the Pod A 2023 Project or the development of the lands in the Pod A 2023 Project Area of the District as described herein, materially and adversely affect the ability of the Pod A Developer to pay the Pod A 2023 Special Assessments imposed against certain lands within Pod A of the District owned by the Pod A Developer or materially and adversely affect the ability of the Pod A Developer to perform its obligations described in this Limited Offering Memorandum.

## **CONTINGENT FEES**

The District has retained Bond Counsel, Disclosure Counsel, District Counsel, the Consulting 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 Pod A 2023 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Pod A 2023 Bonds.

## **NO RATING**

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

## **EXPERTS**

The Engineer's Report attached as APPENDIX C to this Limited Offering Memorandum has been prepared by ZNS Engineering, L.C., Bradenton, Florida, the District Engineer. APPENDIX C should be read in its entirety for complete information with respect to the subjects discussed therein. Wrathell, Hunt & Associates, LLC, Boca Raton, Florida, as Methodology Consultant, has prepared the Assessment Methodology set forth as APPENDIX D attached 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 Pod A 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 District will covenant in the Continuing Disclosure Agreement, 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 District fiscal year ended September 30, 2023. The District does not have audited financial statements because the District has only recently been established Attached hereto as APPENDIX F is a copy of the District's unaudited monthly financial statements for the period ended August 31, 2023.

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 or link thereto. 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 District 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 District is not and has never been in default as to principal or interest on its bonds or other debt obligations since December 31, 1975.

## **CONTINUING DISCLOSURE**

The District and the Pod A Developer will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the proposed form of which is set forth in the attached APPENDIX E, for the benefit of the Pod A 2023 Bondholders (including owners of beneficial interests in the Pod A 2023 Bonds), respectively, to provide certain financial information and operating data relating to the District and the Pod A 2023 Project Area 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 E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Pod A Developer or any other future obligated party 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 Indenture, but such event of default under the Disclosure Agreement would allow the Pod A 2023 Bondholders (including owners of beneficial interests in the Pod A 2023 Bonds), as applicable, to bring an action for specific performance.

The District has previously entered into a continuing disclosure undertaking pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), with respect to its Pod B 2023 Bonds. A review of filings made pursuant to such prior undertaking indicates that the District has not materially failed to comply with its requirements thereunder within the last five years. The District anticipates satisfying all future disclosure obligations required pursuant to its Disclosure Agreement and the Rule. The District will appoint the District Manager as the dissemination agent in the Disclosure Agreement.

The Pod A Developer has not previously entered into any continuing disclosure obligations pursuant to the Rule. The Pod A 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 District, subject to certain conditions, to purchase the Pod A 2023 Bonds from the District at a purchase price of \$\_\_\_\_\_ (par amount of the Pod A 2023 Bonds, [plus/less an original issue premium/discount of \$\_\_\_\_\_ and] an Underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and, upon satisfaction or waiver of such conditions, the Underwriter will be obligated to purchase all of the Pod A 2023 Bonds if any Pod A 2023 Bonds are purchased.

The Underwriter intends to offer the Pod A 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 Pod A 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 have been validated by a judgment of the Circuit Court of the Twelfth Judicial Circuit Court of the State of Florida in and for Manatee County rendered on June 21, 2022. 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 Pod A 2023 Bonds are subject to the approval of GrayRobinson, P.A., Tampa, Florida, as Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, Florida, as District Counsel, and GrayRobinson, P.A., Tampa, Florida, as Disclosure Counsel. Certain legal matters will be passed upon for the Pod A Developer by their counsel, Greene Hamrick Schermer & Johnson, P.A., Bradenton, Florida. The Underwriter is represented by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida. GrayRobinson, P.A. represents the Underwriter in unrelated matters.

Bond Counsel's opinion included herein 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 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.

#### **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 Pod A 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 Pod A 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 Pod A 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 District.

**RYE RANCH COMMUNITY  
DEVELOPMENT DISTRICT**

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

## **APPENDIX A**

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

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**MASTER TRUST INDENTURE**

between

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,**

as Trustee

**Dated as of September 1, 2023**

relating to

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS**

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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 or subaccount therein established pursuant to this Master Indenture and all Supplemental Indentures.

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

"Acquisition and Construction Fund" shall mean the Fund so designated and established pursuant to Section 5.01 hereof.

"Act" shall mean the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended from time to time, and any successor statute thereto.

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

"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.

"Authenticating Agent" shall mean the agent so described in, and appointed pursuant to, Section 2.03 of this Master Indenture.

"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.

THIS MASTER TRUST INDENTURE, dated as of September 1, 2023 (the "Master Indenture"), by and between **RYE RANCH COMMUNITY DEVELOPMENT DISTRICT** (together with its permitted successors and assigns, the "Issuer"), 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 corporate trust office in Fort Lauderdale, Florida (said national banking association and any bank or trust company becoming successor trustee under this Master Indenture and all Supplemental Indentures (as hereinafter defined) being hereinafter referred to as the "Trustee");

## WITNESSETH:

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), created pursuant to Ordinance No. 22-12 (the "Ordinance") enacted by the Board of County Commissioners of Manatee County, Florida (the "County") on February 8, 2022, for the purposes of delivering community development services and facilities to property to be served by the District (as defined below); and

**WHEREAS**, the premises governed by the Issuer (as further described in Exhibit A hereto, the "District" or "District Lands") currently consist of approximately 1,368.60 acres of land located within the unincorporated area of the County; and

**WHEREAS**, the Issuer has determined to undertake, in one or more stages, the planning, financing, construction and/or acquisition of certain public infrastructure improvements pursuant to the Act, for the special benefit of the District Lands (the "Project"); and

**WHEREAS**, the Issuer proposes to finance or refinance, as the case may be, the costs of the Project by the issuance of one or more series of Bonds (as hereinafter defined) pursuant to this Master Indenture;

**NOW, THEREFORE, THIS MASTER INDENTURE WITNESSETH**, that to provide for the issuance of Bonds (as hereinafter defined) under this Master Indenture, as supplemented from time to time by one or more Supplemental Indentures (as hereinafter defined), 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 hereinafter 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, the Issuer hereby assigns, transfers, sets over and pledges to the Trustee and grants 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

"Beneficial Owner" shall mean the Person treated as the owner of Bonds for federal income tax purposes 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 the 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 and 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," 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 Rye Ranch Community Development District Special Assessment Bonds, issued in one or more Series pursuant to the provisions of this Master Indenture and one or more Supplemental Indentures, 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 designated 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 Board, 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.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the applicable United States Treasury Department regulations promulgated thereunder.

"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 Board, 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 Issuer 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. The Independent engineer or engineering firm or corporation at the time serving as the engineer to the Issuer may serve as Consulting Engineer under this Master Indenture and any Supplemental Indentures.

"Continuing Disclosure Agreement" shall mean a Continuing Disclosure Agreement, by and among the Issuer, the dissemination agent named therein and any Obligated Person(s) under the Rule, as further provided and set forth in the applicable Continuing Disclosure Agreement, 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 the 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/or 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;

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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 Issuer) with expertise in the related matters.

"County" shall mean Manatee 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, 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. Notwithstanding anything to the contrary contained in this Master Indenture, the Bonds 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 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 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;
- (b) amounts required to be paid into any mandatory sinking fund account with respect to the Bonds during such period; and
- (c) amounts required to pay the principal of the Bonds maturing during such period and not to be redeemed prior to or at maturity through any sinking fund account.

For any Bonds that bear interest at a variable rate, the interest payable for a specified period shall be determined as if such Bonds 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 12% per annum.

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

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(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;

(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

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"Debt Service Reserve Insurance Policy" shall mean the insurance policy, surety bond or other evidence of insurance, if any, deposited to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in lieu of or in partial substitution for cash or securities on deposit therein, which policy, bond or the evidence of insurance constitutes an unconditional senior obligation of the issuer thereof. The issuer thereof shall be a municipal bond insurer whose obligations ranking *pari passu* with its obligations under such policy, bond or other evidence of insurance are rated at the time of deposit of such policy, bond or other evidence of insurance to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in one of the three highest rating categories, without regard to gradations, of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer, if any, who has issued a Credit Facility with respect to the Bonds.

"Debt Service Reserve Letter of Credit" shall mean the irrevocable, transferable letter or line of credit, if any, deposited for the credit of the Debt Service Reserve Fund or any Account or subaccount therein in lieu of or in partial substitution for cash or securities on deposit therein, which letter or line of credit constitutes an unconditional senior obligation of the issuer thereof. The issuer of such letter or line of credit shall be a banking association, bank or trust company or branch thereof whose senior debt obligations ranking *pari passu* with its obligations under such letter or line of credit are rated at the time of deposit of the letter or line of credit to the credit of the Debt Service Reserve Fund or any Account or subaccount therein in one of the three highest rating categories (without regard to gradations) of both Moody's and S&P, unless otherwise approved by the Credit Facility Issuer, if any, who has issued a Credit Facility with respect to the Bonds.

"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.

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

"District Lands" or "District" shall mean the premises governed by the Issuer, consisting of approximately 1,368.60 acres of land located within Manatee County, Florida, as more fully described in Exhibit A hereto, as may be subsequently amended.

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

"Electronic Means" shall mean telecopy, facsimile transmission, email transmission or other similar electronic means of communicating providing evidence of transmission.

"Event of Default" shall mean any of the events described in Section 10.02 hereof.

"Fiscal Year" shall mean the period of twelve (12) months beginning October 1 of each calendar year and ending on September 30 of the following calendar year, and also shall mean the

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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.

"Funding Agreement" shall mean, if applicable, one or more capital funding agreements between the Issuer and a Landowner, pursuant to which such Landowner 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 or portion thereof. Any obligation on the part of the Issuer to repay such advances made by the Landowner shall be subordinate to the payment of the Bonds.

"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.

"Indenture" shall mean, with respect to any Series of Bonds, this Master Indenture as supplemented by the Supplemental Indenture pursuant to which such Series of Bonds is issued.

"Independent" shall mean a Person who is not a member of the Issuer's Board, an officer or employee of the Issuer or a Landowner, 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 an officer or employee of the Issuer; provided, however, that the fact that such Person is retained regularly by or regularly transacts business with the Issuer or a Landowner shall not make such Person an employee within the meaning of this definition.

"In Kind Payment" shall mean an in kind prepayment made by or on behalf of any Landowner of Special Assessments levied against such Landowner's property by the surrender and cancellation of a principal amount of Bonds of a Series equal to the principal amount of the Special Assessments levied by the Issuer against such property for the purpose of paying the Debt Service Requirements on the Series of Bonds to be prepaid, all in accordance with the provisions of Section 9.08(c) of this Master Indenture.

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

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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 (10) calendar 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 of such downgrade and at the direction by the Issuer to the Trustee, 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) Business 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 after receipt of such notice. Any repurchase agreement entered into pursuant to this Indenture shall contain the following additional provisions:

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

(b) 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);

(c) The repurchase agreement shall state and an opinion of Counsel in form and in substance satisfactory to the Issuer and addressed to the Issuer and Trustee shall be rendered that the Holder of 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);

(d) 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;

(e) 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;

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

(g) 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 Issuer) that such repurchase agreement complies with the

"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.

"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 (having maturities of not more than 270 days) 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;

(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 Holder of the Collateral (as defined herein) 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

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terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

(h) The term of the repurchase agreement shall be no longer than ten (10) years;

(i) 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;

(j) 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;

(k) 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

(l) 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 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 Fitch, 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 Aa2 or better by Moody's and AA or better by S&P or Fitch (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:

(a) 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;

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

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

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

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 in writing within five (5) Business Days of such downgrade event and the provider shall at its option, within ten (10) Business Days after written notice is given to the Trustee take any one of the following actions:

(1) 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

(2) 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

(3) 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

(4) repay all amounts due and owing under the agreement.

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) in addition to the deposits described in subsection (iii) above in the definition of Investment Securities, time deposits, demand deposits or certificate of deposit of any depository institution or trust company incorporated under the law of the United States of America

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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 in substitution for which other Bonds 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 actually known by a Responsible Officer of 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 Trust Company, National Association, and thereafter any successor thereto appointed in accordance with Section 11.20 of this Master Indenture.

"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 the 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 for, or otherwise expressly 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 proviso).

"Prepayment" shall mean the payment by any Landowner 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 by In-Kind Payment pursuant to the provisions of Section 9.08 hereof.

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or any State (or any domestic branch of a foreign bank) and subject to supervision and examination by Federal or State depository institution authority (including the Trustee); provided, however, that at the time of the investment, short-term unsecured debt obligations hereof shall have a credit rating in the highest rating category by S&P or Moody's; and

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

The Trustee shall be entitled to conclusively rely that any investment directed by the Issuer is permitted under the Indenture, and a legal investment for funds of the Issuer.

"Issuer" shall mean the Ryer Ranch Community Development District.

"Landowner" shall mean any owner of District Lands encumbered by Special Assessments.

"Major Non-Recurring Expense" shall mean the cost of major replacement or reconstruction of the 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 Holders" shall mean the Beneficial Owners of more than fifty percent (50%) of the principal amount of the applicable Series of Bonds then Outstanding.

"Majority Landowner" shall mean, for purposes of this Master Indenture, any person or entity, including all affiliated persons and/or entities thereof, which collectively own more than fifty percent (50%) of the District Lands.

"Master Indenture" shall mean, this Master Trust Indenture dated as of September 1, 2023, 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 theretofore cancelled or required to be cancelled under Section 2.07 hereof;

(b) Bonds 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

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

"Project" shall mean with respect to any Series of Bonds, the design, acquisition, construction, equipping and/or improvement of certain public infrastructure improvements consisting of, but not limited to, roadway improvements; water, sewer and reclaimed water systems; stormwater management; landscaping, hardscaping, irrigation, entry features and recreational improvements; undergrounding differential costs of utilities; acquisition of certain interests in land; environmental conservation and mitigation; and related incidental costs, all as more specifically described in the Supplemental Indenture relating to such Series of Bonds; provided that a Project shall specially benefit all of the District Lands on which Special Assessments to secure such Series of Bonds have been levied.

"Project Documents" shall mean all permits, drawings, plans and specifications, contracts and other instruments and rights relating to the Project and the development assigned by the developer(s) of the District Lands to the Issuer pursuant to a collateral assignment.

"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.

"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.

"Registered Owner" shall mean the person or entity in whose name or names any Bond is registered on the books maintained by the Registrar.

"Registrar" shall mean initially U.S. Bank Trust Company, 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 Sections 11.20, 11.22 or 11.24 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 or the date on which the principal of a Bond is to be paid, unless provided otherwise in any Supplemental Indenture.

"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

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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, with respect to the Issuer, any member of the Board, the District Manager, or any other officer of the Issuer 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, and when used with respect to the Trustee, any vice president, assistant vice president, senior associate or other officer of the Trustee within the corporate trust office specified in Section 15.06 (or any successor corporate trust office) having direct responsibility for the administration of this Indenture.

"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) promulgated by the Securities and Exchange Commission pursuant to the Securities Exchange Act of 1934, as the same may be amended from time to time.

"S&P" shall mean S&P Global Ratings, a division of S&P Global Inc., and its successors and assigns, and, if such entity 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 Supplemental 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 Supplemental Indenture if designated as separate Series of Bonds by the Issuer upon original issuance. Two or more Series or sub-Series of Bonds may be issued simultaneously under separate Supplemental Indentures, but under this Master Indenture. 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 Account" shall mean any Account established as to a particular Series of Bonds.

"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 a particular Project or any portion thereof or against one or more identified assessment areas, and (b) the net proceeds derived from the levy

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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 B, 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 in the related Supplemental Indenture; 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 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 designated 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 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 given by Electronic Means or mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to the giving of such notices, at his address as it appears in the Bond Register on the date of the giving of such notices. 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

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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.

"Trust Accounts" shall mean Funds and Accounts that the Trustee administers as trustee, including, but not limited to, the trusts created by the Indenture for a Series of Bonds.

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

## 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 "Rye Ranch Community Development District Special Assessment Bonds, Series \_\_\_\_" (the "Bonds"). The total principal amount of Bonds that may be issued and Outstanding under this Master Indenture is not limited, but shall be subject to any conditions and/or limitations (i) set forth in a Supplemental Indenture and (ii) under State law. The

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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.

SECTION 2.02. Execution. The Bonds shall be executed by the manual or facsimile signature of the Chairperson or Vice Chairperson of the Issuer or by any other member of the Board designated by the Chairperson for such purpose, 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 shall 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; Authenticating Agent. 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. The Trustee shall at all times serve as Authenticating Agent.

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. The 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 the 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 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. Initially, and until the Trustee provides notice to the Issuer as provided in the immediately preceding sentence, the Bond Register shall be kept at the Trustee's corporate trust office in Fort Lauderdale, Florida.

SECTION 2.05. Mutilated, Destroyed, Lost or Stolen Bonds. If any Bond shall become mutilated, the Issuer shall execute and the Trustee or Authenticating Agent, as the case may be, 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 or Authenticating Agent, as the case may be, of such mutilated Bond for cancellation, and the Issuer and the Trustee or Authenticating Agent, as the case may be, 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 or Authenticating Agent, as the case may be; 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

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or Authenticating Agent, as the case may be, 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 or Authenticating Agent, as the case may be, 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, 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 or Authenticating Agent to, and cancelled and disposed of by, the Trustee in accordance with its then current procedures. The Trustee shall deliver to the Issuer a certificate of destruction (or other evidence of destruction) in respect of all Bonds destroyed in accordance with this Section.

**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 registration 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 (as Authenticating Agent and/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.

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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 ("Direct Participants") and other institutions that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct 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 Direct Participants shall be the responsibility of DTC. Payments by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners shall be the responsibility of Direct 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 Direct 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 BE PROVIDED TO CEDE & CO. DTC SHALL BE RESPONSIBLE FOR NOTICES TO DIRECT PARTICIPANTS AND DIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO INDIRECT PARTICIPANTS, AND DIRECT PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO BENEFICIAL OWNERS.**

The Issuer 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, and in that event all references herein to DTC or Cede & Co. shall be deemed to be references to their respective successors. If the Issuer does not replace DTC, the Trustee will register and deliver to

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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 of the Registrar. Whenever any Bonds are so surrendered for exchange, the Issuer shall execute and the Trustee (as Authenticating Agent and/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 giving of a notice of redemption of Bonds selected for redemption and ending at the close of business on the day of giving such notice, 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, the Registrar, or the Authenticating Agent shall deem and treat the person in whose name any Bond 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, the Registrar or the Authenticating Agent) 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, the Registrar and the Authenticating Agent 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.

**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, New York, New York ("DTC") and other

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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.

### **ARTICLE III ISSUE OF BONDS**

**SECTION 3.01. Issue of Bonds.** Subject to the provisions of Section 2.01 hereof, the Issuer may issue one or more Series of Bonds hereunder and under Supplemental Indentures from time to time for the purpose of financing the Costs of acquisition or construction of the 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 Indenture). In connection with the issuance of a Series of Bonds the Trustee shall, at the written 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 Articles V and 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 Article XIV hereof;

(2) a written opinion or opinions of Counsel to the Issuer, addressed to the Issuer and to the Trustee (in part), in form and substance acceptable to the Issuer and the Participating Underwriter;

(3) [Reserved];

(4) 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 the Project that has been completed, stating, in the signer's opinion, (a) that the portion of the Project improvements to be acquired from the proceeds of such Bonds have been, or are reasonably expected to be, completed in accordance with the plans and specifications therefor; (b) the Project improvements have been, or are reasonably expected to be, constructed in a sound workmanlike manner and in accordance with industry standards; (c) the purchase price to be paid by the Issuer for the Project improvements is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual Costs of construction of such components of the Project; (d) the plans

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and specifications for the Project improvements 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); and (e) there is sufficient benefit from the Project to support the Special Assessments;

(5) A certificate of the District Manager or assessment methodology consultant that the benefit from the proposed Project equals or exceeds the amount of Special Assessments; that the Series Assessments are fairly and reasonably allocated across the lands subject to the Series Assessments; and that the Special Assessments are sufficient to pay the Debt Service Requirement on the Bonds;

(6) 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;

(7) the proceeds of the sale of such Bonds together with any required equity deposit by a Landowner or other third party;

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

(9) one or more Certified Resolutions of the Issuer relating to the levy of Special Assessments in respect of the 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 collection procedures, in order to levy and collect Special Assessments upon the applicable District Lands in an amount sufficient to pay the Debt Service Requirement on the Bonds to be issued;

(10) an executed opinion of Bond Counsel;

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

(12) 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;

(13) if at the time of issuance of a Series of Bonds a majority of the members of the Board of Supervisors of the District are not elected by qualified electors pursuant to the Act, a certificate of the Majority Landowner or other developer(s) of the District Lands in form and substance satisfactory to the Issuer and Bond Counsel (a "Developer's Certificate") which provides: (a) the number of residential units expected to be constructed and developed on the District Lands owned thereby, together with a representation to the effect that the person or entity executing the Developer's Certificate

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(16) such other documents, certifications and opinions as shall be required by the Supplemental Indenture, by the Participating Underwriter, the initial purchaser of a Series of Bonds, by the Issuer or Bond 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 and payment to the Trustee of the net proceeds from the original issuance of the Series of Bonds shall be conclusive evidence of satisfaction of the conditions precedent, set forth in this Article, as to the Issuer, the Participating Underwriter, Bond Counsel and the initial purchaser of the respective Series of Bonds.

#### ARTICLE IV ACQUISITION AND CONSTRUCTION OF PROJECT

SECTION 4.01. Project to Conform to Plans and Specifications; Changes. The Issuer will proceed to complete, or cause to be completed, any 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 Project or portion thereof for which any Series of Bonds is being issued and shall complete any Project or portion thereof in conformity with such approvals, laws, rules and regulations. Prior to the completion of the Project, in the event that any Landowner of the District Lands shall fail to pay, when due, any Special Assessments levied against lands within the District owned by such Landowner or any affiliated entity thereof, the Issuer shall immediately take all necessary actions within its control, to the extent it has legally available funds for such purpose, to complete the Project including, without limitation, taking control of the Project Documents.

#### 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

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expects to proceed with due diligence and all reasonable speed to construct and sell the residential units to members of the general public who are unrelated to the Majority Landowner or developer, as appropriate, including an estimate of the timing expected with respect to such construction and sale, (b) certifications that (i) the District was not organized and will not be operated to perpetuate private control by the Majority Landowner, any developer or other nongovernmental persons and (ii) upon completion of the relevant portion of the District Lands, it is expected that at least 250 of the owners or occupants of such residential units will qualify as a "qualified elector" within the meaning of Section 190.006 of the Act, and therefore will be eligible to vote for the members of the Board of Supervisors of the District, (c) a representation of the Majority Landowner that during the development period of the District Lands, and until such time as a majority of the members of the Board of Supervisors of the District are elected by qualified electors pursuant to the Act, the Majority Landowner expects to elect a majority of the members of the Board of Supervisors of the District, will require that all members of the Board of Supervisors elected thereby comply with all provisions of the Act, and that all members of the Board so elected by the Majority Landowner will act only in furtherance of the public purposes described in the Act, (d) a representation that the Project is and will continue to be facilities that: (i) are permitted to be financed under the Act, (ii) will be owned by the District or such other governmental entity, (iii) will carry out an essential governmental function for the benefit of the general public, including residents of the Development, and (iv) will be available to the general public either free of charge or at reasonable rates that are generally applicable and uniformly applied, and no portion of the Project will consist of commercial or industrial facilities, or improvements to property that will be owned by the Majority Landowner or developer or any other nongovernmental person, (e) as of the date of issuance of the Series of Bonds, the Majority Landowner or other developer(s) does not expect to be required to make any payment under any applicable "true-up" agreement, and (f) a representation that the Majority Landowner or developer, as appropriate, executing the Developer's Certificate understands that Bond Counsel will rely on the representations and certifications provided therein in giving its opinion that interest on the Series of Bonds is excluded from gross income for federal income tax purposes;

(14) in the case of the issuance of a refunding Series of Bonds, an Officer's Certificate of the Issuer stating: (a) the intended use of the proceeds of the refunding Series of Bonds; (b) the Bonds to be refunded; (c) any other amounts available for such purpose; (d) 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 (e) 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;

(15) 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

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Series Account was established. Separate Accounts within the Acquisition and Construction Fund or 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, it is appropriate to have a separate written accounting in respect of the Costs of any designated portion of the Project, including payment of any Costs of issuing any Series of Bonds. 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/or 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) Subject to the provisions of Section 9.23 hereof, payments made to the Issuer from the sale, lease or other disposition of the Project or any portion thereof;

(ii) Subject to the provisions of Section 9.14 hereof, the balance of insurance proceeds with respect to the loss or destruction of the Project or any portion thereof;

(iii) Deposits made by any Landowner or developer of the District Lands pursuant to the terms and provisions of a Funding Agreement; and

(iv) Amounts received from a governmental entity pursuant to an interlocal agreement or other similar agreement between the Issuer and such governmental entity providing for the payment by such governmental entity of a portion of the Costs of the Project.

Amounts in the applicable Series Account of the Acquisition and Construction Fund shall be applied to pay the Cost of the 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 the 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 the Project as directed in writing by the Issuer, 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, and the Series Account of the Acquisition and Construction Fund shall be closed.

(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

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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 C attached hereto, signed by a Responsible Officer and, except for payments of Costs of issuance, a certificate of the Consulting Engineer also in the form of Exhibit C 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. Copies of all requisitions and certificates delivered to the Trustee pursuant to this Section 5.01 shall be retained in the possession of the Issuer, subject at all reasonable times to the inspection of the Consulting Engineer, the Owner of any Bonds, and the agents and representatives thereof. The Trustee shall have no duty to verify that the disbursement of funds pursuant to a requisition is for a purpose for which payment may be made hereunder and the Trustee may conclusively rely that a properly signed requisition is, on its face, sufficient to authorize disbursement of funds from the Acquisition and Construction Fund or applicable Series Account therein.

(c) *Completion of Project.* On the date of completion of the Project or if sufficient moneys are retained in the appropriate Series Account of the Acquisition and Construction Fund, to complete the Cost of the Project, in either case, as evidenced by the delivery of a Certificate of the Consulting Engineer to the Trustee and adoption of a resolution by the Board 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 the 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.

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

SECTION 6.01. *Special Assessments; Lien of Indenture on Pledged Revenues.* The Issuer hereby covenants that it shall levy Special Assessments in the amount necessary to pay the Debt Service Requirement on Bonds issued and Outstanding hereunder, and, unless provided otherwise with respect to a Series of Bonds, evidence and certify the same to the Tax Collector or 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.

The Issuer shall, within five (5) Business Days of receipt thereof, 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

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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 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 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;

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Series Account within the Bond Redemption Fund established hereunder or in any account thereof established pursuant to the applicable Supplemental Indenture. The Issuer shall notify the Trustee in writing 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 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.

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 issued pursuant to such Supplemental Indenture 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 separately secured hereunder 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 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

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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 following paragraph, the balance of any moneys remaining in a Series Account of the Revenue Fund after making the foregoing deposits shall remain therein.

Except as otherwise provided in a Supplemental Indenture, the Trustee shall retain any moneys held for the credit of the Revenue Fund which are not otherwise required to be deposited pursuant to this Section and apply such amounts on subsequent dates for the purposes and in the priority set forth above. 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.

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 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 applicable Series Interest Account of 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 in writing 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:

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(a) The Trustee shall apply the amounts required to be transferred to the applicable 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 applicable 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.

(b) Accrued interest on purchased or redeemed 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 subject to the provisions herein or 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

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Supplemental Indenture with respect to a Series of Bonds, if any such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit is substituted for moneys on deposit in the Series Account of the Debt Service Reserve Fund, or if at any time there are excess moneys in the Series Account of the Debt Service Reserve Fund, the excess moneys in the Series Account of the Debt Service Reserve Fund shall be transferred to and deposited in the related Series Account or Subaccount of the Revenue Fund. If a disbursement is made from a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit, the Issuer shall be obligated to either reinstate the maximum limits of such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit immediately following such disbursement or to deposit into the Series Account of the Debt Service Reserve Fund, as provided in the Indenture for restoration of withdrawals from the Series Account of the Debt Service Reserve Fund, funds in the amount of the disbursement made under such Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit.

In the event that upon the occurrence of any deficiency in a Series Interest Account, a Series Principal Account or a Series Sinking Fund Account, the Series Account of the Debt Service Reserve Fund is then funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, the Trustee shall, on an Interest Payment Date or principal payment date or mandatory redemption date to which such deficiency relates, draw upon the Debt Service Reserve Letter of Credit or cause to be paid under the Debt Service Reserve Insurance Policy an amount sufficient to remedy such deficiency, in accordance with the terms and provisions of the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, and any corresponding reimbursement or other agreement governing the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy; provided, however, that if at the time of such deficiency the Series Account of the Debt Service Reserve Fund is only partially funded with a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, prior to drawing on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, the Trustee shall first apply any cash and securities on deposit in the Series Account of the Debt Service Reserve Fund to remedy the deficiency in accordance with the second paragraph of this Section 6.05 and, if after such application a deficiency still exists, the Trustee shall make up the balance of the deficiency by drawing on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as provided in this sentence. Amounts drawn on the Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy, as applicable, shall be applied as set forth in the second paragraph of this Section 6.05. Any amounts drawn under a Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy shall be reimbursed to the issuer thereof in accordance with the terms and provisions of the reimbursement or other agreement governing such Debt Service Reserve Letter of Credit or Debt Service Reserve Insurance Policy.

**SECTION 6.06. Bond Redemption Fund.** The Trustee is hereby authorized and directed to establish a Bond Redemption Fund and a Series Account therein for each Series of Bonds issued hereunder into which shall be deposited moneys, unless otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, in the amounts and at the times provided in Sections 5.01, 6.01, 6.03, 6.05, 9.08(d) 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 for the related Series of Bonds and shall be held by the Trustee separate and apart from all other Funds and Accounts held under such Indenture and from

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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 Series Account of the Acquisition and Construction Fund, and after the Completion Date, shall be transferred, at the written direction of the Issuer, 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. Unless otherwise provided 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 a Prepayment of Special Assessments, which Special Assessments are pledged for the payment and security of such Series of Bonds, the excess amount shall 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 a credit against such Prepayment. 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, unless otherwise provided in the Supplemental Indenture with respect to a Series of Bonds, be transferred from the Series Account of the Debt Service Reserve Fund to the related 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.

Notwithstanding the foregoing, if permitted by the terms of the applicable Supplemental Indenture, in lieu of the required deposits into the related Series Account of the Debt Service Reserve Fund, the Issuer may cause to be deposited into the Series Account of the Debt Service Reserve Fund a Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit, either in lieu of any cash amount required to be deposited therein in connection with the issuance of any Series of Bonds or in substitution for the full amounts then on deposit therein or in an amount equal to the difference between the amount required to be deposited and the sum, if any, then on deposit in the Series Account of the Debt Service Reserve Fund, which Debt Service Reserve Insurance Policy or Debt Service Reserve Letter of Credit shall be payable (upon the giving of notice as required thereunder) on any Interest Payment Date or principal payment date on which a deficiency exists which cannot be remedied by moneys in any other Fund or Account held pursuant to the Indenture and available for such purpose. Unless otherwise provided in the

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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, to 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 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 as, with the redemption premium, 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 and Credit Facility Issuer, if any, the Trustee, at the direction of the Issuer, shall apply the amounts in the Series Funds and Series

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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 Bondholders Only.** Each Series of Bonds issued pursuant to this Master Indenture and the related Supplemental Indenture shall be secured by Pledged Revenues, 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 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 two (2) years after the date payment thereof becomes due shall, upon request of the Issuer, if the Issuer is not at the time to the actual knowledge of a Responsible Officer 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 as directed by the Issuer in writing that are required to comply with the covenants in the applicable Arbitrage Certificate. If so directed by the Issuer in writing, the Trustee shall create one or more Series Accounts within the Rebate Fund relating to one or more particular Series of Bonds.

(a) All amounts held in the Rebate Fund shall be governed by this Section and the applicable Arbitrage Certificate. The Trustee shall be entitled to rely on the rebate calculations obtained from the rebate analyst retained by the Issuer pursuant to any Arbitrage Certificate and the Trustee shall not be responsible for any loss or damage resulting from any good faith action taken or omitted to be taken by the Issuer in reliance upon such calculations.

(b) Pursuant to the applicable Arbitrage Certificate, the Trustee shall remit all rebate installments and a final rebate payment to the United States. The Trustee shall have no obligation to pay any amounts required to be rebated pursuant to this Section and the applicable Arbitrage Certificate, other than at the direction of the Issuer and from moneys held in the Rebate Fund or from other moneys provided to it by the Issuer. Any moneys remaining in the Rebate Fund after redemption and payment of all of the Bonds and payment and satisfaction of any arbitrage rebate shall be withdrawn and paid to the Issuer.

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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 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 written 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. 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.

In the absence of written investment instructions from the Issuer, the Trustee shall not be responsible or liable for keeping the moneys held by it hereunder invested or for any losses because such amounts were not invested. Moneys in any of the Funds and Accounts established pursuant to the Indenture, when held by the Trustee, shall be promptly invested by the Trustee in accordance with all written directions from the Issuer and the Issuer shall be responsible for ensuring that such instructions conform to requirements of this Master Indenture including, without limitation, Article VII hereof. The Trustee shall not be liable or responsible for any loss 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 conclusively rely upon the Issuer's written instructions as to both the suitability and legality of all investments directed hereunder or under any Supplemental Indenture. Ratings of investments shall be determined by the Issuer at the time of purchase of such investments, and monitored thereafter, without regard to ratings subcategories. The Trustee shall have no responsibility to monitor the ratings of investments. Unless otherwise directed in writing by the Issuer, the Trustee may make any and all such investments permitted by the provisions of this section through its own investment department or that of its affiliates or subsidiaries, and may charge its ordinary and customary fees for such trades. Confirmations of investments are not required to be issued by the Trustee for each month in which a monthly statement is rendered. No statement need be rendered for any fund or account if no activity occurred in such fund or account during such month.

**SECTION 7.03. Valuation of Funds.** Except for the assets on deposit in the Debt Service Reserve Fund, the Trustee shall value the assets in each of the Funds and Accounts established hereunder or under any Supplemental Indenture within ten (10) Business Days prior to each Interest Payment Date. With respect to the assets in the Debt Service Reserve Fund, including all accounts established therein, the Trustee shall value such assets forty-five (45) days prior to each Interest Payment Date. In either case, as soon as practicable after each such valuation date (but no later than ten (10) Business Days after each such valuation date), the Trustee shall provide the 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,

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(c) Notwithstanding any other provision of this Indenture, including in particular Article XIV hereof, the obligation to pay arbitrage rebate to the United States and to comply with all other requirements of this Section and the Arbitrage Certificate shall survive the defeasance or payment in full of the Bonds.

(d) The Trustee shall not be deemed to have constructive knowledge of the Code or regulations, rulings and judicial decisions concerning the Code.

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

**SECTION 7.01. Deposits and Security Thereof.** Unless otherwise 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 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, except for investments of the type set forth in clause (iii) of the definition of Investment Securities, 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 any Series Account within the Debt Service Fund, any Series Account within the Debt Service Reserve Fund and any Series Account within the Bond Redemption Fund created under any Supplemental Indenture only in Government Obligations and other 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 or in the Supplemental Indenture with respect to a Series of Bonds. 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

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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. The Trustee does not make any representation as to the accuracy of any quotation of the market value of any investment (or the accrued interest thereon) in any Fund or Account. The Trustee shall (i) only be required to report the market value of any investment according to the price provided by pricing services and sources relied upon by the Trustee, and (ii) not have any duty to independently value any investment other than the price provided by pricing services and sources relied upon by the Trustee.

**SECTION 7.04. 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.

## **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 in full of Special Assessments on any portion of the District Lands in accordance with the provisions of Section 9.08(a) hereof; (ii) from moneys deposited into the related Series Account within the Bond Redemption Fund following the payment in full or in part of Special Assessments on any portion of the District Lands as a result of any Prepayment of Special Assessments in accordance with Section 9.08(b) hereof or Payment In Kind in accordance with Section 9.08(c) hereof; (iii) 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 or moneys required to pay Costs of the Project under the applicable Supplemental Indenture) 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 Indenture; (iv) from moneys

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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 Bond Redemption Fund pursuant to Section 6.05 hereof; (v) 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; (vi) 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 (vii) 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) hereof.

(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 mandatory sinking fund redemption amounts 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 mandatory sinking fund redemption amounts, 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 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 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 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 mandatory sinking fund redemption amounts is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts 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 the related Indenture or directed to do so by the Issuer, the Trustee shall

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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.

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, 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 mandatory sinking fund redemption amount 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.

## ARTICLE IX COVENANTS OF THE ISSUER

SECTION 9.01. Power to Issue Bonds and Create Lien. The 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.

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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, 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;
- (d) any conditions that must be satisfied for the Bonds to be redeemed on the date of redemption;
- (e) 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;
- (f) 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
- (g) 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 an optional 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 be entitled "CONDITIONAL NOTICE OF REDEMPTION" or "CONDITIONAL NOTICE OF PURCHASE," as appropriate, and shall expressly state that the redemption or purchase, as appropriate, is conditional and 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 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

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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 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 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 related 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 related 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 THE ISSUER, INCLUDING, WITHOUT LIMITATION, THE 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 THE 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 THE ISSUER, THE COUNTY, THE STATE OR ANY OTHER POLITICAL SUBDIVISION THEREOF, OR AS OBLIGATING THE ISSUER, THE COUNTY, THE STATE OR ANY OF ITS POLITICAL SUBDIVISIONS, DIRECTLY OR INDIRECTLY OR CONTINGENTLY, TO LEVY OR TO PLEDGE ANY FORM OF TAXATION WHATSOEVER THEREFOR.

SECTION 9.03. Special Assessments; Re-Assessments.

(a) Except as otherwise provided in a Supplemental Indenture with respect to a Series of Bonds, the Issuer shall levy Special Assessments, and evidence and certify the same to the Tax Collector or 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.

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(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 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 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 in accordance with the provisions of the Act, Chapter 170 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 last sentence of this paragraph or except as otherwise provided in a Supplemental Indenture, 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. The Issuer shall use its best efforts to enter into and/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 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. Prior to final platting of a particular parcel, or to the extent that the Issuer is legally prevented from collecting Special Assessments pursuant to the Uniform Method, then the Issuer shall 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.

Notwithstanding the immediately preceding paragraph or any other provision in this Master Indenture to the contrary, upon the occurrence of an Event of Default, if the Trustee, acting at the direction of the Majority Holders of a Series of Bonds, requests that the Issuer not use the Uniform Method to collect the Special Assessments levied by the Issuer for the purpose of paying the Debt Service Requirements such Series of Bonds, but instead collect and enforce the Special Assessments levied by the Issuer for the purpose of paying the Debt Service Requirements such Series of Bonds to another available method under the Act, Chapter 170, Florida Statutes, or Chapter 197, Florida Statutes, or any successor statutes thereto, then the Issuer shall collect and enforce said Special Assessments in the manner and pursuant to the method so requested by the Trustee. Any Special Assessments that are not collected pursuant to the Uniform Method shall be billed directly to the applicable Landowner and be payable not later than thirty (30) days prior to each Interest Payment Date.

**SECTION 9.05. Delinquent Special Assessments.** Subject to the provisions of Section 9.04 hereof, if the Landowner of any lot or parcel of land encumbered by Special Assessments assessed for a particular Project shall be delinquent in the payment of such Special Assessment, then such Special Assessment shall be enforced pursuant to the provisions of Chapter 197, Florida

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of the Registered Owners. The Issuer, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Revenue Account. The Issuer, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for sale of property acquired by it as trustee for the Owners of the applicable Series of Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Holders of the Outstanding Bonds of the Series payable from Special Assessments assessed on such property. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the Issuer as provided in this Section, it shall give written notice thereof to such Registered Owners.

Notwithstanding the foregoing, if the Issuer determines, after consultation with District Counsel, that there is an Obligated Person (as defined under the Rule) other than the Issuer with respect to the Series of Bonds related to such delinquent Special Assessments, then the decision to file a foreclosure action shall be made by the Majority Holders of the Series of Bonds secured by such delinquent Special Assessments, and such decision shall be communicated to the Issuer and Trustee in writing; provided, however, that such Majority Holders shall be deemed to have consented to any request by the Issuer to foreclose if the Issuer does not receive written direction from the Trustee as directed by the Majority Holders of the Outstanding Bonds within sixty (60) days of a written request to foreclose by the Issuer.

**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 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.

**SECTION 9.08. Removal of Special Assessment Liens.** Except as otherwise provided in a Supplemental Indenture with respect to a related Series of Bonds or in the proceedings of the Issuer relating to the imposition and levy of the applicable Special Assessments, the following procedures shall apply in connection with the removal of Special Assessment liens:

(a) Unless the right to prepay granted in Section 170.09, Florida Statutes, has been waived with respect to a levy of Special Assessments, at any time within thirty (30) days after the related Project has been completed and the Board has adopted a resolution accepting such Project as provided by Section 170.09, Florida Statutes, as amended, any Landowner of property subject to the related Special Assessments may, at its option, require the Issuer to release and extinguish the lien upon its property by virtue of the levy of such Special Assessments that relate to the Series of Bonds financing such completed Project by paying to the Issuer the entire amount of such Special Assessment on such property, without interest. The Issuer shall promptly notify the Trustee in writing of any Prepayment made under such circumstances. Accrued interest on the principal amount of any Bonds that would be redeemed as a result of such Prepayment made within thirty (30) days after the Board has adopted a resolution accepting such Project as provided by Section 170.09, Florida Statutes, shall be derived from moneys on deposit in the Capitalized Interest Account and, if no moneys remain, from moneys on deposit in the Interest Account, and, if no moneys remain therein, from moneys on deposit in the Debt Service Reserve Account.

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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 or otherwise, then upon the delinquency of any Special Assessment 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 on such lot or parcel of land 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, unless no other provision under applicable law can be used to foreclose the Special Assessments. Notwithstanding anything to the contrary herein, the Issuer shall be entitled to recover from any foreclosure all of the Issuer's fees and costs expended in connection with such foreclosure regardless whether such fees and costs are included as part of "Special Assessments," as defined herein.

**SECTION 9.06. Sale of Tax Certificates and Issuance of Tax Deeds; Foreclosure of Special Assessment Liens.** 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, then upon any failure of any property owner to pay an installment of Special Assessments when due, the entire Special Assessment on the parcel or parcels as to which such delinquency pertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law, and the Issuer, either on its own behalf or through the actions of the Trustee, may, and shall, if so directed in writing by the Majority Holders of the related Series of Bonds, at the Issuer's own expense, cause such delinquent property to be foreclosed as hereafter provided. Not less than ten (10) days prior to the filing of any foreclosure action as herein provided, 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. The foreclosure proceedings shall be prosecuted as provided in Section 9.05 hereof, unless the Majority Holders provide written direction to suspend or terminate such foreclosure proceedings.

If any property shall be offered for sale for the nonpayment of any Special Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the Issuer for an amount equal to the balance due on the Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the Issuer, and the Issuer shall receive in its corporate name title to the property for the benefit of the Owners of the applicable Series of Bonds. Notwithstanding the foregoing, the Issuer and the Trustee, if directed by the Majority Holders shall, or if the Trustee or the Issuer shall so elect may, place title of property received upon foreclosure or deed in lieu of foreclosure into a special-purpose entity controlled by the Trustee, the Issuer, or such other entity acceptable to the Majority Holders of the Bonds of the Series so affected by such foreclosure, for the benefit

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(b) Notwithstanding the foregoing, and subject to the proceedings of the Issuer relating to the imposition and levy of the applicable Special Assessments, any Landowner may at any time require the Issuer to release and extinguish, or reduce, as applicable, 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, or a portion thereof to the extent partial Prepayments are permitted by the proceedings of the Issuer relating to the imposition and levy of such Special Assessments, plus accrued interest to the next succeeding Interest Payment Date (or the second succeeding Interest Payment Date if such prepayment is made within forty (45) calendar days before an Interest Payment Date, or such other time as set forth in the Supplemental Indenture for the applicable Series of Bonds secured by such Special Assessments), attributable to the property subject to Special Assessment owned by such owner.

Upon receipt of a Prepayment, 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 Issuer that the Special Assessment has been paid in full or, if permitted in the proceedings of the Issuer relating to the imposition and levy of the applicable Special Assessments, 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 applicable Account of the Bond Redemption Fund to be applied to the redemption of the related Series of Bonds in accordance with Section 8.01(b)(i) hereof. In connection with such Prepayment, the Issuer shall calculate the credit authorized pursuant to Section 6.05 hereof, and the Trustee, upon receipt of written notification from the Issuer of such credit, shall 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) In addition to the Prepayments described in paragraphs (a) and (b) above, any Landowner, or any Person on behalf of a Landowner, may present to the Issuer, Bonds of a Series purchased in the open market for cancellation and such cancellation of such purchased Bonds shall constitute an optional Prepayment; provided that no Special Assessments shall be deemed paid by a Landowner until such time as the Bonds presented for cancellation by a Landowner as an In Kind Payment are surrendered to the Trustee, as proxy for the Issuer, accompanied by a written direction to the Trustee to cancel and destroy said Bonds. Except as provided in the next succeeding sentence, such Landowner shall receive the benefit of a reduction, in whole or in part, of the lien of the Special Assessments levied by the Issuer against the lands of such Landowner equal to principal amount of the Bonds surrendered as an In Kind Payment in accordance with the provisions hereof. If the amount credited to the Series Account in the Debt Service Reserve Account would exceed the Debt Service Reserve Requirement for the remaining Outstanding Bonds of a Series as a result of such optional Prepayment described in this paragraph (c), such excess amount shall, prior to the Completion Date of a Project, be transferred to the applicable Series Account of the Acquisition and Construction Fund, and after the Completion Date, shall constitute a credit against the amount of Prepayment to be applied as a result of such cancellation of Bonds of a Series. The actual amount of such excess shall be applied for the partial extraordinary redemption of the Outstanding Bonds of a Series after such cancellation pursuant to Section 8.01(b)(ii) hereof. Notwithstanding anything to the contrary herein, in the event that the amount of the In Kind Payment made by any Landowner is less than the amount of Special Assessments levied against such property, then the In Kind Payment shall be applied pro rata to

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reduce the principal amount of Special Assessments levied by the District on all District Lands owned by said Landowner encumbered by Special Assessments securing the Series of Bonds so tendered by the Landowner as an In Kind Payment.

(d) Upon receipt of a Prepayment or an In Kind Payment as described in (a), (b) or (c) above, the Issuer shall immediately pay the amount so received or remit the Bonds tendered as an In Kind Payment to the Trustee, and the Issuer shall take such action as is necessary to record in the official records of the Issuer that the Special Assessment has been paid or otherwise satisfied 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) or (ii) hereof, as the case may be.

**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 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.** The Issuer covenants that no part of the 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 other appropriate entity shall have acquired perpetual easements for the purposes of the 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 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 shall establish and enforce reasonable rules and regulations governing the use of the Project owned by the Issuer, and the operation thereof, such rules and regulations to be adopted in accordance with the Act, and the Issuer shall operate, use and maintain the Project owned by the Issuer in accordance with the Act and all other applicable federal and State laws, rules and regulations; the Issuer 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 all municipal or governmental charges lawfully levied or assessed upon any 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 the Project. The Issuer shall not, except as otherwise permitted in Sections 9.23, 9.24 and 9.26 of this Article (and subject to the limitations set forth in a Supplemental Indenture relating to a Series of Bonds), create or suffer to be created any lien or charge upon any Project or upon Pledged Revenues, except the lien and charge of the Bonds on the Pledged Revenues.

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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 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 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.

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 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 at all reasonable times to the inspection of the Holders of the Bonds and their agents and representatives duly authorized in writing. The Issuer covenants that it will take 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 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.

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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, the County, or any of their agencies, departments or political subdivisions to pay all or any part of the cost of maintaining, repairing and operating the 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 will carry or cause to be carried, in respect of each 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 herein below.

(b) At all times, to the extent commercially available, 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 the Project owned by the Issuer. The Issuer shall also, at all times, maintain a practical comprehensive general liability insurance program with respect to the 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 the 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 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 as the loss-payee and shall be made payable to the Issuer.

(c) All proceeds received from property damage or destruction insurance and all proceeds received from the condemnation of the 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 subaccount within the Acquisition and Construction Fund to be established by the Trustee for such purpose, 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

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Any appraisal or adjustment of any loss or damage under any policy of insurance required under the Indenture, whether such policy is payable to the Issuer or to the Trustee, and any settlement or payment of indemnity under any such policy which may be agreed upon by the Issuer and any insurer shall be evidenced by a certificate, signed by the District Manager approved by the Consulting Engineer, and filed with the Trustee. The Trustee shall in no way be liable or responsible for the collection of insurance moneys in case of any loss or damage.

**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, Records and Annual Reports.** The Issuer shall keep proper books of record and account in accordance with Generally Accepted Accounting Principles (separate from all other records and accounts) consistently applied and consistent with the provisions of this Master Indenture and any Supplemental Indenture, in which complete and correct entries shall be made of its transactions relating to the Project, and which, together with all other books and records of the Issuer, including, without limitation, insurance policies, relating to the Project, shall at all times be subject during regular business hours to the inspection of the Trustee.

**SECTION 9.18. [Reserved].**

**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 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 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 Board for such purpose. If for any reason the Issuer shall not have adopted the Annual Budget with respect to the 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

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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.** 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 repute for skill and experience in such work.

**SECTION 9.22. Audit Reports.** The Issuer covenants to keep accurate records and books of account with respect to the Project, and covenants that, no later than 270 days after the end of each Fiscal Year, it will cause an audit prepared in accordance with Generally Accepted Accounting Principles by a Certified Public Accountant relating to its operations and including, without limitation, statements in reasonable detail of financial condition as of the end of such Fiscal Year and income and expenses for such Fiscal Year relating to the Project, and a summary, with respect to each Fund and Account established under the Indenture, of the receipts therein and disbursements therefrom during such Fiscal Year, and all receipts and moneys then on deposit with or in the name of the Trustee or the Issuer and any security held therefor and any investments thereof at the end of such Fiscal Year. Copies of such audit reports shall be filed with the District Manager and the Secretary of the Board and with any rating agency that shall have then in effect a rating on any of the Bonds, any Bondholder that shall have, in writing, requested a copy thereof, and otherwise as provided by law, and mailed by said Secretary to the Consulting Engineer.

**SECTION 9.23. Covenant Against Sale or Encumbrance; Exceptions.** The Issuer covenants that, (a) except for those improvements comprising the Project that are to be conveyed by the Issuer to the County, the State Department of Transportation or another governmental entity, as to which no assessments of the Issuer will be imposed and (b) except as in this Section permitted, it will not sell, lease or otherwise dispose of or encumber the Project, or any part thereof. Subject to the provisions of Section 9.29 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 Acquisition and Construction 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 for federal income tax purposes, the Issuer may lease or grant easements, franchises or concessions for the use of any part of the 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,

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to maintain the exclusion from gross income for federal income tax purposes of interest on each Series of Tax-Exempt Bonds.

**SECTION 9.30. Corporate Existence and Maintenance of Properties.** For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the 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 Projects, and all parts thereof owned by the 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 9.31. Bankruptcy or Insolvency of Landowner.** For purposes of this Section 9.31, (a) each Series of Bonds secured by and payable from Special Assessments levied against property owned by any Insolvent Taxpayer (defined below) are collectively referred to herein as the "Affected Bonds" and (b) the Special Assessments levied against any Insolvent Taxpayer's property and pledged under one or more Supplemental Indentures as security for the Affected Bonds are collectively referred to herein as the "Affected Special Assessments."

The provisions of this Section 9.31 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to the Affected Special Assessments (an "Insolvent Taxpayer") 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 Affected Bonds remain Outstanding, in any Proceeding involving the Issuer, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the Issuer shall be obligated to act in accordance with any direction from the Trustee with regard to all matters directly or indirectly affecting at least three percent (3%) of the Outstanding aggregate principal amount of the Affected Bonds or for as long as any Affected Bonds remain Outstanding, in any proceeding involving the Issuer, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The Issuer agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The Issuer acknowledges and agrees that, although the Affected Bonds were issued by the Issuer, the Owners of the Affected Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the Issuer hereby agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) 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 Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (c) to the extent permitted by law, the Trustee shall have the right, but is not obligated to, (i) vote

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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 Acquisition and Construction Fund.

**SECTION 9.24. No Loss of Lien on Pledged Revenue.** The Issuer shall not do or omit to do, or suffer to be done or omit to be done, any matter or thing whatsoever whereby the lien of the Bonds on the Pledged Revenues 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 9.25. 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 9.26. 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, except in the ordinary course of business.

**SECTION 9.27. 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 by 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 9.28. 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 9.29. Use of Bond Proceeds to Comply with Internal Revenue Code.** The Issuer covenants with the Holders of the Bonds that it will not make or direct the making of any investment or other use of the proceeds of any Bonds issued hereunder, the interest on which is intended to be excluded from gross income for federal income tax purposes ("Tax-Exempt Bonds") which would cause such Bonds to be "arbitrage bonds" as that term is defined in Section 148 of the Code or "private activity bonds" as that term is defined in Section 141, 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

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in any such Proceeding any and all claims of the Issuer, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the Issuer, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing. If the Trustee chooses to exercise any such rights, 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 Insolvent Taxpayer, including without limitation, the right to file and/or prosecute any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and to make any election under Section 1111(b) of the Bankruptcy Code and (d) 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 the lands owned by any Insolvent Taxpayer 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 claim and rights with respect to the Affected 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 agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Affected 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.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section 9.31 shall preclude the Issuer from becoming a party to a Proceeding in order to enforce a claim for "maintenance special assessments," and the Issuer shall be free to pursue such a claim for maintenance special assessments in such manner as it shall deem appropriate. Any actions taken by the Issuer in pursuance of its claim for "maintenance special assessments" in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Affected Special Assessments, whether such claim is pursued by the Issuer or the Trustee; provided, however, that the Issuer shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in this Section. Notwithstanding any provision herein to the contrary, the Issuer agrees that the Trustee shall have thirty (30) days to respond to any request by the Issuer to take action if requested by any party, including the Issuer.

**SECTION 9.32. Continuing Disclosure.** The Issuer hereby covenants and agrees that it will comply with and carry out all of the provisions of any Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture and any Supplemental Indenture, failure of the Issuer or a Landowner (if obligated pursuant to the Continuing Disclosure Agreement) 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 Beneficial Owner of at least 25% aggregate principal amount in Outstanding Bonds of the applicable Series and receipt of indemnity to its satisfaction, shall) or any Beneficial Owner of the Bonds of the applicable Series then Outstanding may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the Issuer to comply with its obligations under this Section 9.32. 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,

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depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

## 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, provided, however, that the occurrence of an Event of Default with respect to any one Series of Bonds shall not be an Event of Default with respect to any other Series of Bonds, unless otherwise provided in a Supplemental 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 with respect to such Series of Bonds, as determined by the Majority Holders of such Series of 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, sequester 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 Majority Holders 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

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- (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. 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 shall be restored to their former positions and rights hereunder as though no such proceeding had been taken.

SECTION 10.07. Bondholders May Direct Proceedings. Subject to Section 10.08 below, the Majority Holders 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. No Bondholder 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 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 (including attorneys' fees, costs and expenses), 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:

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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 related Series Account of the Debt Service Reserve Fund is less than the Debt Service Reserve Requirement with respect to such Series of Bonds as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Bonds of such Series (or would be less than the Debt Service Reserve Requirement but for the direction of the Majority Holders not to make such withdrawal) and such amount has not been restored within thirty (30) days of such withdrawal (or direction of the Majority Holders not to withdraw); or

(h) if, at any time following issuance of the related Series of Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the Issuer on the District Lands upon which the Special Assessments are levied to secure such Series of Bonds pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid, when due.

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. No Acceleration; Redemption. No Series of Bonds issued under this Master Indenture shall be subject to acceleration. Upon occurrence and continuance 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 if 100% of the Holders of such Series of Bonds agree to such redemption. Provided however nothing in this Section 10.03 shall prevent a pro rata default distribution pursuant to Section 10.12 herein.

### SECTION 10.04. [Reserved]

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 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 such 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;

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(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, costs and expenses and any disbursements of the Trustee and the Paying Agent, and payment of unpaid fees owed to the Trustee, the Registrar or the Paying Agent.

(b) unless the principal of all the Bonds of such Series shall have become or shall have been declared due and payable:

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 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.

(c) if the principal of all Bonds of a Series shall have become or shall have been declared due and payable, to the payment of principal or Redemption Price (as the case may be) and interest then owing on the Bonds of such Series and in case such moneys shall be insufficient to pay the same in full, then to the payment of principal or Redemption Price and interest ratably, without preference or priority of one Bond of such Series over another or of any installment of interest over any other installment of interest.

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. During the continuance of an Event of Default, 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. When the Trustee incurs costs or expenses (including legal fees, costs and expenses) or renders services after the occurrence of an Event of Default, such costs and

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expenses and the compensation for such services are intended to constitute expenses of administration under any federal or state bankruptcy, insolvency, arrangement, moratorium, reorganization or other debtor relief law.

**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. It is further intended that, insofar as lawfully possible, the provisions of this Article X shall apply to and be binding upon any receiver appointed in accordance with Section 10.13 hereof.

**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 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.

## **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. The Trustee further agrees to assist the Issuer at the Issuer's expense in complying with the procedures and covenants of the Issuer contained in any arbitrage rebate agreement to which the Issuer is a party and which specifically pertain to the Trustee for so long as compliance is necessary in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Bonds, to the extent applicable.

**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

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**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 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 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 if such action would require the Trustee to expend its own funds, unless it is requested in writing to do so by the Majority Holders of the Outstanding Bonds that 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, telegram, electronic mail, 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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Counsel concerning all questions hereunder and the advice of such Counsel or any opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by the Trustee hereunder in good faith and in reliance thereon; 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. The Trustee shall not be accountable for the use or application of any of the Bonds or the proceeds thereof or for the use or application of any money paid over by the Trustee in accordance with the provisions of this Indenture. The permissive right of the Trustee to do things enumerated in this Indenture shall not be construed as a duty. The Trustee shall have no responsibility with respect to any information, statement or recital in any official statement, offering memorandum or any other disclosure material prepared or distributed with respect to the Bonds and shall have no responsibility for compliance with any state or federal securities laws in connection with the Bonds. None of the provisions of this Indenture shall require the Trustee to expend or risk its own funds or otherwise to incur any liability, financial or otherwise, in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers. The Trustee shall not be responsible or liable for any failure or delay in the performance of its obligations under this Indenture arising out of or caused, directly or indirectly, by circumstances beyond its reasonable control, including, without limitation, acts of God; earthquakes; fire; flood; hurricanes or other storms; wars; terrorism; similar military disturbances; sabotage; epidemic; pandemic; riots; interruptions, loss or malfunctions of utilities, computer (hardware or software) or communications services; accidents; labor disputes; acts of civil or military authority or governmental action; it being understood that the Trustee shall use commercially reasonable efforts which are consistent with accepted practices in the banking industry to resume performance as soon as reasonably practicable under the circumstances.

**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 (but without waiving any limitations of liability afforded 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 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 to the Issuer a periodic report 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.

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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 event of 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 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 material 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 Majority Holders 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 Majority Holders 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.

**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,

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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 written 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 to indemnity under Section 11.04 hereof.

**SECTION 11.16. Merger of Trustee.** Any corporation, purchaser or other entity into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation, purchaser or other entity resulting from any merger or consolidation to which any Trustee hereunder shall be a party, or any corporation, purchaser or other entity which shall have purchased or to which the Trustee shall have transferred 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, purchaser or other entity continuing to act as Trustee hereunder shall meet the requirements of Section 11.14 hereof, and if such corporation, purchaser or other entity 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, 11.10 and 11.16 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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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, except for its rights under Section 11.04 hereof, as applicable, pursuant to Section 11.17 hereof, of such predecessor Paying Agent or Registrar 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, purchaser or other entity into which any Paying Agent or Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation, purchaser or other entity resulting from any merger or consolidation to which any Paying Agent or Registrar hereunder shall be a party, or any corporation, purchaser or other entity which shall have purchased, or to which the Paying Agent or Registrar shall have transferred, 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.

**SECTION 11.25. Patriot Act Requirements of 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.

**SECTION 11.26. Signatures.** All notices, approvals, consents, requests and any communications hereunder must be in writing (provided that any communication sent to Trustee hereunder must be in the form of a document that is signed manually or by way of a digital signature provided by the Issuer (or such other digital signature provider as specified in writing to the Trustee by the authorized representative), in English.

## ARTICLE XIII

### 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.

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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.

**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, except as provided in Section 11.24 hereof. Upon request of

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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 related 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 related 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 an 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 Majority Holders 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 request, at the expense of the Issuer, and receive and rely on 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, and that, if such

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amendment is with respect to a series of Tax-Exempt Bonds, such amendment will not result in the interest on such Tax-Exempt Bonds being no longer excludable from gross income for federal income tax purposes.

#### ARTICLE XIV DEFEASANCE

SECTION 14.01. Defeasance. When interest on, 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, including fees and expenses of the Trustee, 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, 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

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SECTION 15.05. Substitute Notice. If for any reason it shall be impossible to make publication 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 communication authorized or required by this Master Indenture or any Supplemental Indenture to be given to or filed with the Issuer or the Trustee (each a "Notice") shall be in writing and shall be delivered, by First Class Mail, postage prepaid, or by overnight delivery service, addressed as follows:

- (a) As to the Issuer -

Rye Ranch Community Development District  
c/o Wrathell, Hunt & Associates, LLC  
2300 Glades Rd., Ste. # 410W  
Boca Raton, FL 33431  
Attention: District Manager

with a copy to -

Kutak Rock LLP  
107 W. College Ave.  
Tallahassee, FL 32301  
Phone: 850.692.7300  
Attention: Jere Earlywine

- (b) As to the Trustee -

U.S. Bank Trust Company, National Association  
500 West Cypress Creek Rd., Ste. # 460  
Ft. Lauderdale, FL 33309  
Attention: Amanda Kumar

Except as otherwise provided in this Master Indenture or any Supplemental Indenture, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-Business Day, shall be deemed received on the next Business Day. If any time for giving Notice contained in this Master Indenture or any Supplemental Indenture would otherwise expire on a non-Business Day, the Notice period shall be extended to the next succeeding Business Day. Counsel for the Issuer and counsel for the Trustee may deliver Notice on behalf of the Issuer and the Trustee, respectively. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

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 evidenced in writing.

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of the deposit referred to above, there shall be delivered to the Escrow Agent a 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. In addition to the foregoing, Bond Counsel shall deliver an opinion that the subject Bonds are no longer Outstanding hereunder.

Money so deposited with the Escrow Agent which remains unclaimed two (2) 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.

#### 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.

The Trustee agrees to accept and act upon instructions or directions pursuant to this Indenture sent by the Issuer by unsecured e-mail, facsimile transmission or other similar unsecured electronic methods, provided, however, that the Issuer shall provide to the Trustee an incumbency certificate listing designated persons with the authority to provide such instructions, which incumbency certificate shall be amended whenever a person is to be added or deleted from the listing. If the Issuer elects to give the Trustee e-mail or facsimile instructions (or instructions by a similar electronic method) and the Trustee in its discretion elects to act upon such instructions, the Trustee's understanding of such instructions shall be deemed controlling. The Trustee shall not be liable for any losses, costs or expenses arising directly or indirectly from the Trustee's reliance upon and compliance with such instructions notwithstanding such instructions conflict or are inconsistent with a subsequent written instruction. The Issuer agrees to assume all risks arising out of the use of such electronic methods to submit instructions and directions to the Trustee, including without limitation the risk of the Trustee acting on unauthorized instructions, and the risk of interception and misuse by third parties.

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: Northlake Stewardship District. 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.

Without limiting the generality of the foregoing, pursuant to Resolution No. 2023-08, adopted by the Board of the Issuer on February 15, 2023, the Issuer has confirmed its intent to merge with the Northlake Stewardship District, a local unit of special purpose government established by the State legislature pursuant to Chapter 2022-248, Laws of Florida (the "SD"), and the surviving district will be known as the Northlake Stewardship District. The parties agree that all rights and obligations of the Issuer under this Master Indenture and all Supplemental Indentures shall be assigned by the Issuer to the SD, and thereafter all of the Issuer's obligations in connection with the issuance of Bonds hereunder will be assumed by the SD, all pursuant to a merger agreement between the Issuer and the SD.

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.

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IN WITNESS WHEREOF, Rye Ranch Community Development District has caused this Master Indenture to be executed by the Chairperson of its Board and its corporate seal to be hereunto affixed, attested by the Secretary or Assistant Secretary of its Board and U.S. Bank Trust Company, 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.

**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT**

[SEAL]

Attest:

By: Cindy Carbone  
Asst Secretary, Board of Supervisors

By: Steph  
Chairperson, Board of Supervisors

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

By: [Signature]  
Vice President

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503.63 FEET TO AN INTERSECTION WITH THE EAST MAINTAINED RIGHT-OF-WAY LINE OF RYE ROAD NORTH; THENCE ALONG SAID EAST MAINTAINED RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: (1) N03°11'56"W, A DISTANCE OF 759.66 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 2279.53 FEET; (2) ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 7°16'46", A DISTANCE OF 289.61 FEET TO THE POINT OF TANGENCY; (3) N04°04'50"E, A DISTANCE OF 4345.36 FEET TO AN INTERSECTION WITH THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF COUNTY ROAD NO. 675 PER FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION NUMBER 1351-201(1311-201, 1311-101); THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE THE FOLLOWING THREE (3) COURSES: (1) S55°48'28"E, A DISTANCE OF 700.20 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 22,843.54 FEET; (2) ALONG SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 1°17'00", A DISTANCE OF 511.66 FEET TO THE POINT OF TANGENCY; THENCE S54°31'28"E, A DISTANCE OF 17.33 TO AN INTERSECTION WITH THE NORTHWESTERLY RIGHT-OF-WAY LINE OF COUNTY ROAD NO. 675 AS RECORDED IN OFFICIAL RECORDS BOOK 2700, PAGE 5252 OF SAID PUBLIC RECORDS; THENCE THE PERIMETER OF SAID RIGHT-OF-WAY LINE THE FOLLOWING SEVEN (7) COURSES: (1) S35°28'32"W, A DISTANCE OF 10.00 FEET; (2) S54°31'28"E, A DISTANCE OF 21.62 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 3,959.36 FEET; (3) ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 7°28'00", A DISTANCE OF 515.98 FEET TO THE POINT OF TANGENCY; (4) S47°03'28"E, A DISTANCE OF 168.06 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 11,374.11 FEET; (5) ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 3°18'00", A DISTANCE OF 655.10 FEET TO THE POINT OF TANGENCY; (6) S43°45'28"E, A DISTANCE OF 22.27 FEET; (7) N46°14'32"E, A DISTANCE OF 10.00 FEET TO AN INTERSECTION WITH THE SOUTHWESTERLY RIGHT-OF-WAY LINE OF COUNTY ROAD NO. 675 PER FLORIDA DEPARTMENT OF TRANSPORTATION RIGHT-OF-WAY MAP SECTION NUMBER 1351-201(1311-201, 1311-101); THENCE ALONG SAID SOUTHWESTERLY RIGHT-OF-WAY LINE THE FOLLOWING NINE (9) COURSES: (1) S43°45'28"E, A DISTANCE OF 233.29 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE RIGHT HAVING A RADIUS OF 9,747.26 FEET; (2) ALONG THE ARC OF SAID CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 3°14'00", A DISTANCE OF 550.06 FEET TO THE POINT OF TANGENCY; (3) S40°31'28"E, A DISTANCE OF 20.85 FEET; (4) N49°28'32"E, A DISTANCE OF 25.00 FEET; (5) S40°31'28"E, A DISTANCE OF 972.03 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 68,804.90 FEET; (6) ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 1°40'00", A DISTANCE OF 2001.45 FEET TO THE POINT OF TANGENCY; (7) S42°11'28"E, A DISTANCE OF 388.11 FEET TO THE POINT OF CURVATURE OF A CURVE TO THE LEFT HAVING A RADIUS OF 68,804.24 FEET; (8) ALONG THE ARC OF SAID CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 0°38'00", A DISTANCE OF 760.54 FEET TO THE POINT OF TANGENCY; (9) S42°49'28"E, A DISTANCE OF 377.54 FEET TO AN INTERSECTION WITH THE NORTH LINE OF THE NORTHWEST QUARTER OF SECTION 7, TOWNSHIP 34 SOUTH, RANGE 19 EAST; THENCE ALONG SAID NORTH LINE N89°13'45"W, A DISTANCE OF 157.01 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE ALONG SAID EAST LINE S00°29'55"W, A DISTANCE OF 2676.05 FEET TO THE POINT OF BEGINNING.

CDD CONTAINS APPROXIMATELY 1,368.60 ACRES, MORE OR LESS.

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**EXHIBIT A**

**LEGAL DESCRIPTION OF  
RYE RANCH COMMUNITY DEVELOPMENT DISTRICT**

The present boundaries of Rye Ranch Community Development District are as follows:

A PARCEL OF LAND BEING A PORTION SECTIONS 1, 2, 11, 12, AND 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST AND SECTIONS 35, AND 36, TOWNSHIP 33 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, BEING DESCRIBED AS FOLLOWS:

BEGIN AT NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SAID SECTION 12; THENCE ALONG THE EAST LINE OF SAID QUARTER SECTION S00°29'55"W, A DISTANCE OF 2676.05 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 13; THENCE ALONG THE EAST LINE OF SAID NORTHEAST QUARTER S00°42'15"W, A DISTANCE OF 2632.85 FEET TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE S65°59'46"W, A DISTANCE OF 1377.10 FEET; THENCE N88°25'52"W, A DISTANCE OF 1483.77 FEET; THENCE N02°26'22"E, A DISTANCE OF 1744.56 FEET; THENCE S50°35'20"W, A DISTANCE OF 538.86 FEET; THENCE S57°46'55"W, A DISTANCE OF 423.69 FEET; THENCE S02°26'22"W, A DISTANCE OF 1091.72 FEET; THENCE N88°23'59"W, A DISTANCE OF 1010.95 FEET TO AN INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF RYE ROAD NORTH AS RECORDED IN OFFICIAL RECORDS BOOK 1855, PAGE 3882 OF THE PUBLIC RECORDS OF MANATEE COUNTY, FLORIDA; THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE THE FOLLOWING SIX (6) COURSES: (1) N00°54'56"E, A DISTANCE OF 195.85 FEET; (2) N00°12'03"W, A DISTANCE OF 48.51 FEET; (3) N03°57'34"W, A DISTANCE OF 47.30 FEET; (4) N09°01'56"W, A DISTANCE OF 52.25 FEET; (5) N14°42'24"W, A DISTANCE OF 77.85 FEET; (6) N17°56'13"W, A DISTANCE OF 124.06 FEET TO AN INTERSECTION WITH THE SOUTH SECTION LINE OF THE NORTHWEST QUARTER OF SAID SECTION 13; THENCE CONTINUE ALONG SAID EASTERLY RIGHT-OF-WAY LINE AS RECORDED IN OFFICIAL RECORDS BOOK 1855, PAGE 3898 OF SAID PUBLIC RECORDS, THE FOLLOWING FIFTEEN (15) COURSES: (1) N17°55'47"W, A DISTANCE OF 175.80 FEET; (2) N17°47'38"W, A DISTANCE OF 72.63 FEET; (3) N17°19'23"W, A DISTANCE OF 72.18 FEET; (4) N16°55'35"W, A DISTANCE OF 59.76 FEET; (5) N15°49'23"W, A DISTANCE OF 85.64 FEET; (6) N14°49'30"W, A DISTANCE OF 388.16 FEET; (7) N14°34'46"W, A DISTANCE OF 25.43 FEET; (8) N13°34'36"W, A DISTANCE OF 29.17 FEET; (9) N12°28'42"W, A DISTANCE OF 27.70 FEET; (10) N12°27'24"W, A DISTANCE OF 125.00 FEET; (11) N12°31'55"W, A DISTANCE OF 762.65 FEET; (12) N13°01'08"W, A DISTANCE OF 727.28 FEET; (13) N13°15'10"W, A DISTANCE OF 137.72 FEET; (14) N12°33'11"W, A DISTANCE OF 15.62 FEET; (15) N12°54'21"W, A DISTANCE OF 43.67 FEET TO AN INTERSECTION WITH THE SOUTH SECTION LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 12; THENCE CONTINUE ALONG SAID EASTERLY RIGHT-OF-WAY LINE AS RECORDED IN OFFICIAL RECORDS BOOK 1855, PAGE 3904 OF SAID PUBLIC RECORDS, THE FOLLOWING EIGHT (8) COURSES: (1) N12°53'55"W, A DISTANCE OF 138.39 FEET; (2) N12°47'11"W, A DISTANCE OF 42.51 FEET; (3) N11°22'06"W, A DISTANCE OF 39.98 FEET; (4) N08°47'09"W, A DISTANCE OF 41.41 FEET; (5) N06°17'35"W, A DISTANCE OF 39.08 FEET; (6) N04°02'31"W, A DISTANCE OF 29.90 FEET; (7) N03°29'27"W, A DISTANCE OF 843.27 FEET; (8) N03°29'47"W, A DISTANCE OF 161.51 FEET; THENCE S89°18'58"E, A DISTANCE OF 142.21 FEET TO AN INTERSECTION WITH THE WEST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION 12; THENCE ALONG SAID WEST LINE N01°16'45"E, A DISTANCE OF 1319.34 FEET TO THE SOUTHWEST CORNER OF THE NORTHWEST QUARTER OF SAID SECTION 12; THENCE ALONG SAID WEST LINE N01°15'36"E, A DISTANCE OF 2720.67 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SAID SECTION 11; THENCE ALONG SAID NORTH LINE N89°17'09"W, A DISTANCE OF

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**EXHIBIT B  
(FORM OF BOND)**

R-\_\_\_\_\_ \$\_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF FLORIDA**

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND,  
SERIES \_\_\_\_\_**

Interest Rate      Maturity Date      Date of Original Issuance      CUSIP

Registered Owner:

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Rye Ranch Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the Maturity Date set forth above, from the sources hereinafter mentioned, 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). Principal of and interest on this Bond are payable by U.S. Bank Trust Company, National Association, in Fort Lauderdale, Florida, as paying agent (the "Paying Agent"), made payable to the Registered Owner and mailed on each Interest Payment Date commencing [\_\_\_\_] 1, 20\_\_\_\_ 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 (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"), provided however presentation is not required for payment while the Bonds are registered in book-entry only form. 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 \_\_\_\_\_ 1, 20\_\_\_\_, 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

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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 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, MANATEE 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 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 COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond is one of an authorized issue of Bonds of the Rye Ranch 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. 22-12 (the "Ordinance") enacted by the Board of County Commissioners of the County on February 8, 2022, designated as "Rye Ranch 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, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Project (as defined in the herein referred to Indenture). 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, 20\_\_ (the "Master Indenture"), as supplemented by a \_\_\_\_\_ Supplemental Trust Indenture dated as of \_\_\_\_\_, 1, 20\_\_ (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 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 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 the Bonds, the conditions under which such Indenture may be amended with the consent of the Majority Holders, and as to other rights and remedies of the Registered Owners of the Bonds.

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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 with respect to a Series of Bonds or moneys required to pay Costs of the Project under the applicable Supplement Indenture) 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 Indenture; (iii) 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 Bond Redemption Fund pursuant to the Indenture; (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 the Indenture; (v) from moneys, if any, on deposit in the Series Bond Redemption Fund in accordance with the Indenture 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 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) 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 (30) but not more than sixty (60) 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 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,

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The Registered 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 Registered Owner of this Bond that such Registered Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, 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 County, the State 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 Registered Owner hereof assents to all the provisions of the Indenture. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in 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 mandatory sinking fund redemption amounts, 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 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 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 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

#### *Insert Optional & Mandatory Redemption Provisions*

##### 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, 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 the Section 9.08 of the Master

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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 mandatory sinking fund redemption amount 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.

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the Registered Owner for all purposes hereof, including the payment of the principal of and interest on this Bond. Payment to Direct Participants shall be the responsibility of DTC. Payments by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Bonds at the corporate trust office of the Registrar in Fort Lauderdale, 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

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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 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.

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.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE  
FOLLOWS]

**IN WITNESS WHEREOF**, Rye Ranch Community Development District has caused this Bond to be signed by the facsimile signature of the 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.

**RYE RANCH COMMUNITY DEVELOPMENT  
DISTRICT**

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

(SEAL)

Attest:

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

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**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: \_\_\_\_\_

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**, as Trustee

By: \_\_\_\_\_  
Authorized Signatory

**STATEMENT OF VALIDATION**

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court of the Twelfth Judicial Circuit of the State of Florida, in and for Manatee County, Florida, rendered on the 21st day of June, 2022.

\_\_\_\_\_  
Chairperson, Board of Supervisors

\_\_\_\_\_  
Secretary

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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.

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**  
**FORM OF REQUISITION**

RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 20[\_]

The undersigned, a Responsible Officer of the Rye Ranch Community Development District (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 Trust Company, National Association, as trustee (the "Trustee"), dated as of September 1, 2023, as supplemented by that certain \_\_\_\_\_ Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 20\_\_ (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:
- (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.

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 or on file with the District are copies of the invoice(s) from the vendor of the property acquired or the services rendered, with respect to which disbursement is hereby requested.

**RYE RANCH COMMUNITY DEVELOPMENT  
DISTRICT**

By: \_\_\_\_\_  
Responsible Officer

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**CONSULTING ENGINEER'S APPROVAL FOR NON-COST OF ISSUANCE  
REQUESTS ONLY**

If this requisition is for a disbursement for other than Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer relating to the portion of the Project that is the subject of this requisition, as such report shall have been amended or modified on the date hereof. If this requisition is related to the Issuer's acquisition of all or a part of the Project, the Consulting Engineer further certifies and agrees that for any requisition (a) the portion of the Project that is the subject of this requisition is complete, and (b) the purchase price to be paid by the District for the portion of the Project to be acquired with this disbursement 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.

\_\_\_\_\_  
Consulting Engineer

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**SECOND SUPPLEMENTAL TRUST INDENTURE**

between

**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
(MANATEE COUNTY, FLORIDA)**

and

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**  
as Trustee

Dated as of October 1, 2023

Authorizing and Securing  
\$[ ]  
**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(POD A 2023 PROJECT AREA)**

**ARTICLE VII  
MISCELLANEOUS PROVISIONS**

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THIS **SECOND SUPPLEMENTAL TRUST INDENTURE** (the "Supplemental Trust Indenture"), dated as of October 1, 2023 between the **RYE RANCH COMMUNITY DEVELOPMENT DISTRICT** (together with its permitted successors and assigns, the "Issuer" or the "District"), 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 Supplemental Trust Indenture being hereinafter referred to as the "Trustee");

**WITNESSETH:**

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the "Act") created pursuant to Ordinance No. 22-12 enacted by the Board of County Commissioners of Manatee County, Florida (the "County"), on February 8, 2022, for the purposes of delivering community development services and facilities to property to be served by the Issuer; and

**WHEREAS**, the premises governed by the Issuer (the "District Lands") (as further described in Exhibit A attached to the hereinafter-defined Master Indenture) currently consist of approximately 1,368.60 gross acres of land located entirely within the County; and

**WHEREAS**, the Issuer has been created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands; and

**WHEREAS**, the Issuer has determined to undertake, in multiple phases, the acquisition and/or construction of public infrastructure improvements and community facilities as set forth in the Act for the special benefit of the District Lands (the "Project"); and

**WHEREAS**, the Board of Supervisors of the Issuer (the "Board") has previously adopted Resolution No. 2022-26 on March 7, 2022 (the "Authorizing Resolution"), authorizing the issuance of not to exceed \$310,000,000 in aggregate principal amount of its Special Assessment Bonds (the "Bonds") to finance all or a portion of the planning, design, acquisition and construction costs of the Project pursuant to the Act for the special benefit of the District Lands or portions thereof and approving the form of and authorizing the execution and delivery of the Master Indenture (as defined herein); and

**WHEREAS**, the District has entered into a Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture"), with the Trustee to secure the issuance of its Bonds, issuable in one or more Series from time to time; and

**WHEREAS**, pursuant to the Authorizing Resolution and Resolution No. 2024-01, duly adopted by the Board of the Issuer on October 11, 2023, the Issuer has authorized the issuance, sale and delivery of its \$\_\_\_\_\_ Rye Ranch Community Development District Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) (the "Pod A 2023 Bonds"), as a subsequent Series of Bonds under the Master Indenture, and has further authorized the execution and delivery of this Supplemental Trust Indenture (collectively with the Master Indenture, the

(ii)

"Indenture") to secure the issuance of the Pod A 2023 Bonds and to set forth the terms of the Pod A 2023 Bonds; and

**WHEREAS**, the Board of the Issuer has duly adopted Resolution No. 2022-25 pursuant to Sections 170.03, 170.07 and 170.08, Florida Statutes, defining assessable property to be benefited by the Pod A 2023 Project (hereinafter defined), defining the portion of the Cost of the Pod A 2023 Project with respect to which Pod A 2023 Special Assessments (hereinafter defined) will be imposed and the manner in which such Pod A 2023 Special Assessments shall be levied against such benefited property within the District Lands, directing the preparation of an assessment roll calling for a public hearing of the Issuer at which owners of property to be subject to the Pod A 2023 Special Assessments may be heard as to the propriety and advisability of undertaking the Pod A 2023 Project, as to the cost thereof, the manner of payment therefor, and the amount to be assessed against each property improved by the Pod A 2023 Project, and stating the intent of the Issuer to issue the Pod A 2023 Bonds (as herein defined) secured by such Pod A 2023 Special Assessments to finance the costs of the acquisition and construction of the Pod A 2023 Project and the Board of the Issuer has duly adopted Resolution No. 2023-04, following a public hearing conducted in accordance with the Act, to fix and establish the Pod A 2023 Special Assessments and the benefited property against which such Pod A 2023 Special Assessments will be levied, as such Resolution will be supplemented by Resolution No. 2024-[\_] (collectively the "Assessment Resolutions"); and

**WHEREAS**, the Pod A 2023 Special Assessments will initially be levied on the approximately 561 gross acres within "Pod A" within the District planned for 1,772 lots and will thereafter be assigned to platted lots in Pod A on a first-platted, first-assigned basis in accordance with the Assessment Resolutions, with the Pod A 2023 Special Assessments being fully-assigned upon the plating of not less than 436 equivalent residential units ("ERUs") within Pod A (the "Pod A 2023 Project Area"); and

**WHEREAS**, SK Rye Road, LLC, a Delaware limited liability company (the "Developer"), is the owner and developer of the approximately 561 gross acres of the District Lands corresponding to Pod A and will construct or cause to be constructed all of the public infrastructure necessary to serve Phases 2A, 2B and 2C within Pod A (such public infrastructure being further described in Exhibit A attached hereto and being herein referred to as the "Pod A 2023 Project"); and

**WHEREAS**, in the manner provided herein, the net proceeds of the Pod A 2023 Bonds will be used for the purposes of (i) providing funds to pay a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Pod A 2023 Project, (ii) funding a deposit to the Pod A 2023 Reserve Account in the amount of the Pod A 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Pod A 2023 Bonds, and (iv) paying the costs of issuance of the Pod A 2023 Bonds; and

**WHEREAS**, the Pod A 2023 Bonds will be secured by a pledge of Pod A 2023 Pledged Revenues (as herein defined) to the extent provided herein.

**NOW, THEREFORE, THIS SUPPLEMENTAL TRUST INDENTURE WITNESSETH**, that to provide for the issuance of the Pod A 2023 Bonds, the security and

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"Acquisition Agreement" shall mean that certain Acquisition Agreement (Pod A 2023 Project Area) by and between the Issuer and the Developer regarding the acquisition of certain work product, improvements and real property dated the Closing Date.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated the Closing Date, relating to certain restrictions on arbitrage under the Code with respect to the Pod A 2023 Bonds.

"Assessment Methodology" shall mean the "Pod A Project Master Special Assessment Methodology Report" dated November 2, 2022, supplemented by the Pod A 2023 Project [Final] First Supplemental Special Assessment Methodology Report dated [\_\_\_\_], 2023, as may be amended from time to time.

"Assessment Resolutions" shall mean Resolution Nos. 2022-25, 2023-04 and 2024-[\_] of the Issuer adopted on August 30, 2022, November 2, 2022, and October [\_\_\_\_], 2023, respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Pod A 2023 Bonds, on the date of issuance denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner (as hereinafter defined) does not purchase at least \$100,000 of the Pod A 2023 Bonds at the time of initial delivery of the Pod A 2023 Bonds, such Beneficial Owner must either execute and deliver to the Issuer and the Underwriter on the date of delivery of the Pod A 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.

"Closing Date" shall mean [\_\_\_\_\_, 2023].

"Collateral Assignment" shall mean the certain Collateral Assignment and Assumption of Development and Contract Rights (Pod A 2023 Project), dated the Closing Date, executed by the Developer in favor of the Issuer.

"Completion Agreement" shall mean that certain Completion Agreement (Pod A 2023 Project) between the Issuer and the Developer regarding the completion of Pod A 2023 Project, dated the Closing Date.

"Condition #1 for Reduction of Reserve Requirement" with respect to the Pod A 2023 Bonds shall mean collectively (i) all of the Outstanding principal portion of the Pod A 2023 Special Assessments have been allocated to platted lots which have been sold and closed to homebuilders, and (ii) there shall be no Events of Default under the Indenture with respect to the Pod A 2023 Bonds, each as certified by the District Manager. The Issuer shall present the Trustee with the certifications of the District Manager regarding the satisfaction of Condition #1 for Reduction of Reserve Requirement, and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

"Condition #2 for Reduction of Reserve Requirement" with respect to the Pod A 2023 Bonds shall mean collectively (i) all of the Outstanding principal portion of the Pod A 2023 Special Assessments has been assigned to residential units that have been constructed and each has

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 Pod A 2023 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Pod A 2023 Bonds by the Holders 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 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 Pod A 2023 Pledged Revenues as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Pod A 2023 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

**TO HAVE AND TO HOLD** the same and, to the extent the same may be lawfully granted, 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 Pod A 2023 Bonds.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Holders of the Pod A 2023 Bonds issued and to be issued under this Supplemental Trust Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this Supplemental Trust Indenture) of any one Pod A 2023 Bond over any other Pod A 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 Pod A 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 Pod A 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 Supplemental Trust Indenture and the rights hereby granted shall cease and terminate, otherwise this Supplemental Trust Indenture to be and remain in full force and effect.

## ARTICLE I DEFINITIONS

In this Supplemental Trust 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:

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received a certificate of occupancy, and (ii) there shall be no Events of Default under the Indenture with respect to the Pod A 2023 Bonds, each as certified by the District Manager. The Issuer shall present the Trustee with the certifications of the District Manager regarding the satisfaction of Condition #2 for Reduction of Reserve Requirement, and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Pod A 2023 Bonds, dated the Closing Date, by and among the Issuer, the dissemination agent named therein, and the Developer, in connection with the issuance of the Pod A 2023 Bonds.

"Declaration of Consent" shall mean that certain instrument executed by the Developer declaring consent to the jurisdiction of the Issuer and the imposition of the Pod A 2023 Special Assessments.

"Defeasance Securities" shall mean, with respect to the Pod A 2023 Bonds, to the extent permitted by law, (a) cash deposits, and (b) direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury) which are non-callable and non-prepayable.

"Developer" shall mean SK Rye Road, LLC, a Delaware limited liability company, and its successors and assigns.

"District Manager" shall mean Wrathell, Hunt & Associates, LLC, and its successors and assigns.

"Engineer's Report" shall mean the "Master Engineer's Report – Pod A Project for the Rye Ranch Community Development District," dated November 2, 2022, as supplemented by the "First Supplemental Engineer's Report (Pod A 2023 Project) for the Rye Ranch Community Development District," dated [June] 2023 (collectively, the "Engineer's Report"), each prepared by ZNS Engineering, LC.

"Indenture" shall mean collectively, the Master Indenture and this Supplemental Trust Indenture.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing May 1, 2024.

"Majority Holders" means the Beneficial Owners of more than fifty percent (50%) in aggregate principal amount of the Outstanding Pod A 2023 Bonds.

"Master Indenture" shall mean the Master Trust Indenture, dated as of September 1, 2023, by and between the Issuer and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Pod A 2023 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Pod A 2023 Bonds as specifically defined in this Supplemental Trust Indenture).

"Paying Agent" shall mean U.S. Bank Trust Company, National Association, and its successors and assigns as Paying Agent hereunder.

"Pod A 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 Supplemental Trust Indenture.

"Pod A 2023 Bond Redemption Account" shall mean the Account so designated, established as a separate Account within the Bond Redemption Fund pursuant to Section 4.01(g) of this Supplemental Trust Indenture.

"Pod A 2023 Bonds" shall mean the \$[ ] aggregate principal amount of Rye Ranch Community Development District Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area), to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this Supplemental Trust Indenture and secured and authorized by the Master Indenture and this Supplemental Trust Indenture.

"Pod A 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 Supplemental Trust Indenture.

"Pod A 2023 General Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Pod A 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Supplemental Trust Indenture.

"Pod A 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 Supplemental Trust Indenture.

"Pod A 2023 Optional Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Pod A 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Supplemental Trust Indenture.

"Pod A 2023 Pledged Revenues" shall mean with respect to the Pod A 2023 Bonds (a) all revenues received by the Issuer from Pod A 2023 Special Assessments levied and collected on the assessable lands within Pod A subject to the Pod A 2023 Special Assessments, benefited by the Pod A 2023 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Pod A 2023 Special Assessments or from the issuance and sale of tax certificates with respect to such Pod A 2023 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture created and established with respect to or for the benefit of the Pod A 2023 Bonds; provided, however, that Pod A 2023 Pledged Revenues shall not include (A) any moneys transferred to the Pod A 2023 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Pod A 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).

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2023 Bonds, be used to pay principal of and interest on the Pod A 2023 Bonds at that time. Initially, the Pod A 2023 Reserve Requirement shall be equal to \$[ ].

"Pod A 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 Supplemental Trust Indenture.

"Pod A 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 Supplemental Trust Indenture.

"Pod A 2023 Special Assessments" shall mean the Special Assessments levied on the assessable lands within the Pod A 2023 Project Area as a result of the Issuer's acquisition and/or construction of the Pod A 2023 Project, corresponding in amount to the debt service on the Pod A 2023 Bonds and designated as such in the methodology report relating thereto.

"Prepayment" shall mean the payment by any owner of property of the amount of Pod A 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 accelerating and/or foreclosing the Pod A 2023 Special Assessments. "Prepayments" shall include, without limitation, Pod A 2023 Prepayment Principal.

"Project" shall mean all of the public infrastructure deemed necessary for the development of the District Lands including, but not limited to, the Pod A 2023 Project.

"Quarterly Redemption Date" shall mean each February 1, May 1, August 1, and November 1 of any calendar year.

"Redemption Price" shall mean the principal amount of any Pod A 2023 Bond plus the applicable premium, if any payable upon redemption thereof pursuant to this Supplemental Trust Indenture.

"Registrar" shall mean U.S. Bank Trust Company, National Association and its successors and assigns as Registrar hereunder.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date or the date on which the principal of an Pod A 2023 Bond is to be paid.

"Resolution" shall mean, collectively, (i) Resolution No. 2022-26 of the Issuer adopted on March 7, 2022, pursuant to which the Issuer authorized the issuance of not exceeding \$310,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of the Project, and (ii) Resolution No. 2024-01 of the Issuer adopted on October 11, 2023 (the "Delegation Resolution"), pursuant to which the Issuer authorized, among other things, the issuance of the Pod A 2023 Bonds to pay a portion of the costs of the planning, financing, the acquisition, construction, equipping and installation of the Pod A 2023 Project, specifying the details of the Pod A 2023 Bonds and awarding the Pod A 2023 Bonds to the purchasers of the Pod A 2023 Bonds.

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"Pod A 2023 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Pod A 2023 Special Assessments being prepaid pursuant to Section 4.05 of this Supplemental Trust Indenture or as a result of an acceleration of the Pod A 2023 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Pod A 2023 Special Assessments are being collected through a direct billing method.

"Pod A 2023 Prepayment Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Pod A 2023 Bond Redemption Account pursuant to Section 4.01(g) of this Supplemental Trust Indenture.

"Pod A 2023 Project" shall mean the public infrastructure improvements described in Exhibit A attached hereto.

"Pod A 2023 Project Area" shall mean, initially, the approximately 561 gross acres of land within the District corresponding to Pod A and, upon platting of not less than 436 equivalent residential units ("ERUs") therein, the area within Pod A where the Pod A 2023 Special Assessments have been assigned to secure the Pod A 2023 Bonds, all as more particularly identified and set forth in the Assessment Methodology.

"Pod A 2023 Rebate Account" shall mean the Account so designated, established as a separate Account within the Rebate Fund pursuant to Section 4.01(j) of this Supplemental Trust Indenture.

"Pod A 2023 Reserve Account" shall mean the Account so designated, established as a separate Account within the Debt Service Reserve Fund pursuant to Section 4.01(f) of this Supplemental Trust Indenture.

"Pod A 2023 Reserve Requirement" or "Reserve Requirement" shall mean (i) initially, an amount equal to the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time; (ii) upon the occurrence of Condition #1 for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time; and (iii) upon the occurrence of Condition #2 for Reduction of Reserve Requirement, ten percent (10%) of the maximum annual debt service on the Pod A 2023 Bonds as calculated from time to time. Upon satisfaction of either Condition for Reduction of Reserve Requirement, such excess amount shall be released from the Pod A 2023 Reserve Account and transferred to the Pod A 2023 Acquisition and Construction Account in accordance with the provisions of Sections 4.01(a) and 4.01(f) hereof. For the purpose of calculating the Pod A 2023 Reserve Requirement, maximum annual debt service, fifty percent (50%) of maximum annual debt service or ten percent (10%) of maximum annual debt service, as the case may be, shall initially be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Pod A 2023 Bonds from Pod A 2023 Prepayment Principal as set forth herein (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Pod A 2023 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Pod A 2023 Prepayment Subaccount in accordance with the provisions of Sections 4.01(f) and 4.05(a) hereof. Amounts on deposit in the Pod A 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Pod A

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"Substantially Absorbed" means the date at least 90% of the principal portion of the Pod A 2023 Special Assessments have been assigned to residential units within the Pod A 2023 Project Area that have received certificates of occupancy. The Issuer shall present the Trustee with a certification that the Pod A 2023 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Pod A 2023 Special Assessments are Substantially Absorbed.

"True-Up Agreement" shall mean the True-Up Agreement (Pod A 2023 Project) dated the Closing Date, by and between the Issuer and the Developer relating to the true-up of Pod A 2023 Special Assessments.

"Underwriter" shall mean FMSBonds, Inc., the underwriter of the Pod A 2023 Bonds.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Pod A 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]

**ARTICLE II**  
**THE POD A 2023 BONDS**

**SECTION 2.01. Amounts and Terms of Pod A 2023 Bonds; Issue of Pod A 2023 Bonds.** No Pod A 2023 Bonds may be issued under this Supplemental Trust 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 Pod A 2023 Bonds that may be issued under this Supplemental Trust Indenture is expressly limited to \$[\_\_\_\_\_]. The Pod A 2023 Bonds shall be numbered consecutively from R-1 and upwards.

(b) Any and all Pod A 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 Pod A 2023 Bonds upon execution of this Supplemental Trust 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 Pod A 2023 Bonds and deliver them as specified in the request.

**SECTION 2.02. Execution.** The Pod A 2023 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

**SECTION 2.03. Authentication.** The Pod A 2023 Bonds shall be authenticated as set forth in the Master Indenture. No Pod A 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 Pod A 2023 Bonds.**

(a) The Pod A 2023 Bonds are being issued hereunder in order to provide funds for the purposes of (i) paying a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Pod A 2023 Project, (ii) funding a deposit to the Pod A 2023 Reserve Account in the amount of the Pod A 2023 Reserve Requirement, (iii) paying a portion of the interest coming due on the Pod A 2023 Bonds and (iv) paying the Costs of issuance of the Pod A 2023 Bonds. The Pod A 2023 Bonds shall be designated "Rye Ranch Community Development District Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area)" and shall be issued as fully registered Bonds without coupons in Authorized Denominations.

(b) The Pod A 2023 Bonds shall be dated as of the date of initial delivery. Interest on the Pod A 2023 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Pod A 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 May 1, 2024, in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

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**SECTION 2.06. Disposition of Pod A 2023 Bond Proceeds.** From the net proceeds of the Pod A 2023 Bonds received by the Trustee in the amount of \$[\_\_\_\_\_] (par amount of \$[\_\_\_\_\_] [plus/minus [net] original issue premium/discount] of \$[\_\_\_\_\_] [less underwriter's discount of \$[\_\_\_\_\_] [which is retained by the underwriter of the Pod A 2023 Bonds]:

(a) \$[\_\_\_\_\_], which is an amount equal to the Pod A 2023 Reserve Requirement, shall be deposited in the Pod A 2023 Reserve Account of the Debt Service Reserve Fund;

(b) \$[\_\_\_\_\_], shall be deposited into the Pod A 2023 Interest Account of the Debt Service Fund and applied to pay interest coming due on the Pod A 2023 Bonds through May 1, 2024;

(c) \$[\_\_\_\_\_], shall be deposited into the Pod A 2023 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the Costs of issuing the Pod A 2023 Bonds; and

(d) \$[\_\_\_\_\_], representing the balance of the net proceeds of the Pod A 2023 Bonds, shall be deposited in the Pod A 2023 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied only to the payment of Costs of the Pod A 2023 Project in accordance with Section 4.01(a) hereof, Article V of the Master Indenture and the terms of the Acquisition Agreement, as applicable.

**SECTION 2.07. Book-Entry Form of Pod A 2023 Bonds.** The Pod A 2023 Bonds shall be issued as one fully registered bond for each maturity of Pod A 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 Pod A 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. The Pod A 2023 Bonds shall not be required to be presented for payment. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("Direct Participants") and other institutions that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). The Direct Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Pod A 2023 Bonds ("Beneficial Owners").

Principal and interest on the Pod A 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. Disbursal of such amounts to Direct Participants shall be the responsibility of DTC. Payments by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners shall be the responsibility of Direct 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 Pod A 2023 Bonds, through Direct Participants and Indirect Participants.

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(c) Except as otherwise provided in Section 2.07 of this Supplemental Trust Indenture in connection with a book-entry-only system of registration of the Pod A 2023 Bonds, the principal or Redemption Price of the Pod A 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 Pod A 2023 Bonds. Except as otherwise provided in Section 2.07 of this Supplemental Trust Indenture in connection with a book entry only system of registration of the Pod A 2023 Bonds, the payment of interest on the Pod A 2023 Bonds shall be made on each Interest Payment Date to the Registered Owners of the Pod A 2023 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Registered Owner as such Registered 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 Pod A 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 Registered Owner in whose name the Pod A 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 Registered 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 Registered Owner of Pod A 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 Registered 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 Registered 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. Debt Service on the Pod A 2023 Bonds.**

(a) The Pod A 2023 Bonds will mature on May 1 in the years and in the principal amounts, and bear interest at the rates as set forth below, subject to the right of prior redemption in accordance with their terms.

Year	Amount	Interest Rate
	\$	%

(b) Interest on the Pod A 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 Pod A 2023 Bonds on the day before the default occurred.

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During the period for which Cede & Co. is Registered Owner of the Pod A 2023 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to Direct Participants and Direct Participants shall be responsible for notices to Indirect Participants, and Direct 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 Pod A 2023 Bonds in the form of fully registered Pod A 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 Pod A 2023 Bonds may be exchanged for an equal aggregate principal amount of Pod A 2023 Bonds in 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 Pod A 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 Pod A 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 Pod A 2023 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Pod A 2023 Bonds, all the Pod A 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 Supplemental Trust Indenture;
- (c) Opinions of Counsel required by the Master Indenture;

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(d) A certificate of a Responsible Officer to the effect that, upon the authentication and delivery of the Pod A 2023 Bonds, the Issuer will not be in default in the performance of the terms and provisions of the Master Indenture or this Supplemental Trust Indenture;

(e) Copies of executed investor letters in the form attached hereto as **Exhibit D** if such investor letter is required, as determined by the Underwriter; and

(f) Executed copies of the Arbitrage Certificate, the True-Up Agreement, the Acquisition Agreement, Declaration of Consent, the Completion Agreement, the Continuing Disclosure Agreement and the Collateral Assignment.

Payment to the Trustee of the net proceeds of the Pod A 2023 Bonds shall be conclusive evidence that the foregoing conditions have been met to the satisfaction of the Issuer and the Underwriter.

[END OF ARTICLE II]

### ARTICLE III REDEMPTION OF POD A 2023 BONDS

**SECTION 3.01. Redemption Dates and Prices.** The Pod A 2023 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided in the form thereof set forth as **Exhibit B** to this Supplemental Trust Indenture. Pod A 2023 Bonds may be purchased as provided in Article VIII of the Master Indenture.

If at the time of mailing the notice of any redemption, the Issuer shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem all the Pod A 2023 Bonds called for redemption, such notice shall state that it is subject to the deposit of the redemption moneys with the Trustee or Paying Agent, as the case may be, not later than the redemption date, and such notice shall be of no effect unless such moneys are so deposited. All payments of the Redemption Price of the Pod A 2023 Bonds shall be made on the dates hereinafter required.

Except as otherwise provided in this Section 3.01 and in **Exhibit B** hereto, if less than all the Pod A 2023 Bonds of a maturity are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Pod A 2023 Bonds or portions of the Pod A 2023 Bonds to be redeemed by lot. Partial redemptions of Pod A 2023 Bonds shall, to the extent possible, be made in such a manner that the remaining Pod A 2023 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Pod A 2023 Bond.

Upon any redemption of Pod A 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 Pod A 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 Pod A 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 Pod A 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 amount 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.

**SECTION 3.02. Notice of Redemption.** When required to redeem Pod A 2023 Bonds under any provision of this Supplemental Trust Indenture or directed to redeem Pod A 2023 Bonds by the Issuer, the Trustee shall give or cause to be given to Registered Owners of the Pod A 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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### ARTICLE IV ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS; REMOVAL OF POD A 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 "Pod A 2023 Acquisition and Construction Account." Net proceeds of the Pod A 2023 Bonds shall be deposited into the Pod A 2023 Acquisition and Construction Account in the amount set forth in Section 2.06 of this Supplemental Trust Indenture, together with any moneys transferred or deposited thereto, including moneys transferred from the Pod A 2023 Reserve Account after satisfaction of either of the Conditions for Reduction of Reserve Requirement, and such moneys shall be applied as set forth in, and the Issuer shall request disbursement as permitted under, this Section 4.01(a) of this Supplemental Trust Indenture, Section 5.01 of the Master Indenture, and the Acquisition Agreement, as applicable. Funds on deposit in the Pod A 2023 Acquisition and Construction Account shall only be requested by the Issuer to be applied to the Costs of the Pod A 2023 Project. Upon satisfaction of Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, the amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement shall then be transferred to the Pod A 2023 Acquisition and Construction Account and applied as provided herein.

After the Completion Date for the Pod A 2023 Project, and after retaining costs to complete the Pod A 2023 Project, any moneys remaining in the Pod A 2023 Acquisition and Construction Account shall be transferred to the Pod A 2023 General Redemption Subaccount, as directed in writing by the Issuer, or the District Manager on behalf of the Issuer, to the Trustee. After no funds remain therein, the Pod A 2023 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the Pod A 2023 Acquisition and Construction Account shall not be closed until after Condition #1 for Reduction of Reserve Requirement and Condition #2 for Reduction of Reserve Requirement shall each have occurred and the excess funds from the Pod A 2023 Reserve Account shall have been transferred to the Pod A 2023 Acquisition and Construction Account and applied in accordance with this Section 4.01(a) and Section 4.01(f) hereof. The Trustee shall not be responsible for determining the amounts in the Pod A 2023 Acquisition and Construction Account allocable to the respective components of the Pod A 2023 Project.

The Trustee shall make no such transfers from the Pod A 2023 Acquisition and Construction Account to the Pod A 2023 General Redemption Subaccount if an Event of Default exists with respect to the Pod A 2023 Bonds of which the Trustee has notice as described in Section 11.06 of the Master Indenture or of which the Trustee has actual knowledge as described in Section 11.06 of the Master Indenture. The Trustee shall withdraw moneys from the Pod A 2023 Acquisition and Construction Account only upon presentation to the Trustee of a properly signed requisition in substantially the form attached hereto as **Exhibit C**, except as provided in **Exhibit B** hereto with respect to mandatory redemption of the Pod A 2023 Bonds after the Completion Date or Section 5.06 hereof regarding use of the Pod A 2023 Acquisition and Construction Account following an Event of Default.

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Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Pod A 2023 Costs of Issuance Account." Net proceeds of the Pod A 2023 Bonds shall be deposited into the Pod A 2023 Costs of Issuance Account in the amount set forth in Section 2.06 of this Supplemental Trust Indenture. Upon presentation to the Trustee of written direction of a Responsible Officer of the Issuer, the Trustee shall withdraw moneys from the Pod A 2023 Costs of Issuance Account to pay the costs of issuing the Pod A 2023 Bonds. Any deficiency in the amount allocated to pay the cost of issuing the Pod A 2023 Bonds shall be paid from excess Pod A 2023 Pledged Revenues on deposit in the Pod A 2023 Revenue Account, as provided in Section 4.02 (FIFTH) hereof. Six months after the issuance of the Pod A 2023 Bonds, any moneys remaining in the Pod A 2023 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Pod A 2023 Interest Account. After no funds remain therein, the Pod A 2023 Costs of Issuance Account shall be closed.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Pod A 2023 Revenue Account." Pod A 2023 Special Assessments (except for Prepayments of Pod A 2023 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Pod A 2023 Prepayment Subaccount) shall be deposited by the Trustee into the Pod A 2023 Revenue Account which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this Supplemental Trust Indenture. The Trustee may conclusively rely that unless expressly indicated in writing by the Issuer as a Prepayment upon deposit thereof with the Trustee, payments of Pod A 2023 Special Assessments otherwise received by the Trustee, are to be deposited into the Pod A 2023 Revenue Account.

(c) [RESERVED].

(d) Pursuant to Section 6.04 of the Master Indenture and Section 4.02 of this Supplemental Trust Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Pod A 2023 Interest Account." Moneys deposited into the Pod A 2023 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.06 and 4.02 of this Supplemental Trust Indenture, shall be applied for the purposes provided therein and used to pay interest on the Pod A 2023 Bonds.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Pod A 2023 Sinking Fund Account." Moneys shall be deposited into the Pod A 2023 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this Supplemental Trust Indenture, and applied for the purposes provided therein and as set forth in **Exhibit B** hereto.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Reserve Fund designated as the "Pod A 2023 Reserve Account." Net proceeds of the Pod A 2023 Bonds shall be deposited into the Pod A 2023 Reserve Account in the amount set forth in Section 2.06 of this Supplemental Trust Indenture, and such moneys, together with any other moneys deposited into the Pod A 2023 Reserve Account shall be applied for the purposes provided in the Master Indenture and in this Section 4.01(f) and Section 4.05 of this Supplemental Trust Indenture. Notwithstanding any provisions in the Master Indenture

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to the contrary, the Issuer covenants not to substitute the cash and Investment Securities on deposit in the Pod A 2023 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Pod A 2023 Reserve Account shall remain on deposit therein.

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 Pod A 2023 Reserve Account and transfer any excess therein above the Reserve Requirement for the Pod A 2023 Bonds caused by investment earnings to the Pod A 2023 Revenue Account and applied in accordance with Section 4.02 hereof.

In the event of a Prepayment of Pod A 2023 Special Assessments in accordance with Section 4.05(a) of this Supplemental Trust Indenture, forty-five (45) days before the next Quarterly Redemption Date, the Issuer shall recalculate the Pod A 2023 Reserve Requirement taking into account the amount of Pod A 2023 Bonds that will be Outstanding as a result of such Prepayment of Pod A 2023 Special Assessments, and provide the Trustee with the amount of the excess, and the Trustee shall transfer such amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement, resulting from Pod A 2023 Prepayment Principal, to the Pod A 2023 Prepayment Subaccount to be applied toward the extraordinary redemption of Pod A 2023 Bonds in accordance with the extraordinary mandatory redemption provisions set forth in Exhibit B hereto, as a credit against the Pod A 2023 Prepayment Principal otherwise required to be made by the owner of such property subject to Pod A 2023 Special Assessments.

Upon satisfaction of each of Condition #1 for Reduction of Reserve Requirement and Condition #2 for Reduction of Reserve Requirement, as applicable, the amount on deposit in the Pod A 2023 Reserve Account in excess of the Pod A 2023 Reserve Requirement shall then be transferred to the Pod A 2023 Acquisition and Construction Account and, upon compliance with the requisition provisions set forth in Section 4.01(a) herein, shall, within thirty (30) days of such transfer, be applied to pay any requisitions submitted pursuant to Section 4.01(a) that remain unpaid ("Unpaid Requisitions"), in full or in part, in chronological order (oldest to newest) based on the date such requisitions were submitted by the Issuer to the Trustee. The Trustee shall not be responsible for reviewing the chronological order of Unpaid Requisitions and may conclusively rely on the Issuer's determination of the chronological order of Unpaid Requisitions. Any requisition submitted in compliance with the prior sentence shall be executed by the Issuer and the Consulting Engineer. Such payment is authorized notwithstanding that the Completion Date might have been declared, provided that such Costs of the Pod A 2023 Project were not previously paid from the Pod A 2023 Acquisition and Construction Account. In the event that there are no Unpaid Requisitions at such time as Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, is satisfied, then such excess moneys transferred from the Pod A 2023 Reserve Account to the Pod A 2023 Acquisition and Construction Account shall be deposited into the Pod A 2023 General Redemption Subaccount of the Pod A 2023 Bond Redemption Account upon direction by the Issuer to the Trustee.

Notwithstanding any of the foregoing, amounts on deposit in the Pod A 2023 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Pod A 2023 Bonds to the Pod A 2023 General Redemption Subaccount,

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Pod A Rebate Account, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Pod A 2023 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Pod A 2023 Bonds in accordance with Section 3.01(a) hereof and Exhibit B hereto.

**SECTION 4.02. Pod A 2023 Revenue Account.** The Trustee shall transfer from amounts on deposit in the Pod A 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 Interest Payment Date, commencing May 1, 2024, to the Pod A 2023 Interest Account of the Debt Service Fund, an amount equal to the interest on the Pod A 2023 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Pod A 2023 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each May 1, commencing May 1, 20[ ], to the Pod A 2023 Sinking Fund Account, an amount equal to the principal amount of Pod A 2023 Bonds subject to sinking fund redemption on such May 1, less any amount on deposit in the Pod A 2023 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Pod A 2023 Bonds remain Outstanding, to the Pod A 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 Pod A 2023 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Pod A 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 Pod A 2023 Interest Account, the amount necessary to pay interest on the Pod A 2023 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Pod A 2023 Costs of Issuance Account upon the written request of the Issuer to cover any deficiencies in the amount allocated to pay the cost of issuing the Pod A 2023 Bonds and next, any balance in the Pod A 2023 Revenue Account shall remain on deposit in such Pod A 2023 Revenue Account, unless needed for the purposes of rounding the principal amount of an Pod A 2023 Bond subject to extraordinary mandatory redemption pursuant to Section 4.01(i) hereof to an Authorized Denomination, or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Pod A 2023 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

In addition to a redemption of Pod A 2023 Bonds from Prepayments on deposit in the Pod A 2023 Prepayment Subaccount, the Trustee is further authorized, upon written direction from the Issuer, to transfer from the Pod A 2023 Revenue Account to the Pod A 2023 General Redemption

if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Pod A 2023 Special Assessments and applied to redeem a portion of the Pod A 2023 Bonds is less than the principal amount of Pod A 2023 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Pod A 2023 Reserve Account pursuant to this paragraph, if the amount on deposit in the Pod A 2023 General Redemption Subaccount is not sufficient to redeem a principal amount of the Pod A 2023 Bonds in an Authorized Denomination, the Trustee is authorized to withdraw amounts from the Pod A 2023 Revenue Account to round up the amount in the Pod A 2023 Prepayment Subaccount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Pod A 2023 Revenue Account shall be made upon direction by the Issuer to pay interest on and/or principal of the Pod A 2023 Bonds for the extraordinary mandatory redemption thereof if the deposits required under Section 4.02 FIRST through FIFTH cannot first be made in full.

(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 "Pod A 2023 Bond Redemption Account" and within such Account, an "Pod A 2023 General Redemption Subaccount," an "Pod A 2023 Optional Redemption Subaccount," and an "Pod A 2023 Prepayment Subaccount." Except as otherwise provided in this Supplemental Trust Indenture regarding Prepayments or in connection with the optional redemption of the Pod A 2023 Bonds, moneys to be deposited into the Pod A 2023 Bond Redemption Account as provided in Section 6.06 of the Master Indenture shall be deposited to the Pod A 2023 General Redemption Subaccount.

(h) Moneys that are deposited into the Pod A 2023 General Redemption Subaccount (including all earnings on investments held therein) shall be used to call for the extraordinary mandatory redemption of Pod A 2023 Bonds in accordance with Exhibit B hereto.

(i) Moneys in the Pod A 2023 Prepayment Subaccount (including all earnings on investments held in such Pod A 2023 Prepayment Subaccount) shall be accumulated therein to be used to call for extraordinary mandatory redemption in accordance with Exhibit B hereto an amount of Pod A 2023 Bonds equal to the amount of money transferred to the Pod A 2023 Prepayment Subaccount of the Pod A 2023 Bond Redemption Account for the purpose of such extraordinary mandatory redemption as provided in Exhibit B. In addition, and together with the moneys transferred from the Pod A 2023 Reserve Account pursuant to paragraph (f) above, if the amount on deposit in the Pod A 2023 Prepayment Subaccount is not sufficient to redeem a principal amount of the Pod A 2023 Bonds in an Authorized Denomination, the Trustee upon written direction from the Issuer, shall be authorized to withdraw amounts from the Pod A 2023 Revenue Account to deposit to the Pod A 2023 Prepayment Subaccount to round-up the amount to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Pod A 2023 Revenue Account shall be directed by the Issuer to pay interest on and/or principal of the Pod A 2023 Bonds for extraordinary mandatory redemption if, as a result, the deposits required under Section 4.02 FIRST through FIFTH cannot be made in full.

(j) The Issuer hereby directs the Trustee to establish a separate account in the Rebate Fund designated as the "Pod A 2023 Rebate Account." Moneys shall be deposited into the

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Subaccount sufficient funds to cause the redemption of the next closest Authorized Denomination of Pod A 2023 Bonds, as provided in Section 4.01(i) hereinabove.

**SECTION 4.03. Power to Issue Pod A 2023 Bonds and Create Lien.** The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Pod A 2023 Bonds, to execute and deliver the Indenture and to pledge the Pod A 2023 Pledged Revenues for the benefit of the Pod A 2023 Bonds to the extent set forth herein. The Pod A 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 Pod A 2023 Bonds, except as otherwise permitted under Section 5.04 hereof. The Pod A 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 Holders of the Pod A 2023 Bonds under the Indenture against all claims and demands of all persons whomsoever.

**SECTION 4.04. Pod A 2023 Project to Conform to the Engineer's Report.** Simultaneously with the issuance of the Pod A 2023 Bonds, the Issuer will promptly proceed to construct or acquire the Pod A 2023 Project as described in Exhibit A hereto and in the Engineer's Report relating thereto, all pursuant to the terms and provisions of this Indenture and of the Acquisition Agreement, as applicable.

**SECTION 4.05. Prepayments; Removal of Pod A 2023 Special Assessment Liens.**

(a) Subject to the proceedings of the Issuer relating to the imposition and levy of the Pod A 2023 Special Assessments, at such times as provided in the Assessment Resolutions, any owner of property subject to the Pod A 2023 Special Assessments may, at its option, or as a result of acceleration of the Pod A 2023 Special Assessments because of non-payment thereof, shall, or by operation of law, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Pod A 2023 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Pod A 2023 Special Assessment, which shall constitute Pod A 2023 Prepayment Principal, plus, except as provided below, accrued interest to the next succeeding Quarterly Redemption Date (or the second succeeding Quarterly Redemption Date, if such Prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date, as the case may be), attributable to the property subject to Pod A 2023 Special Assessments owned by such owner. To the extent that such Prepayments are to be used to redeem Pod A 2023 Bonds pursuant to the extraordinary mandatory redemption provisions set forth in Exhibit B hereto, in the event the amount on deposit in the Pod A 2023 Reserve Account will exceed the Pod A 2023 Reserve Requirement for the Pod A 2023 Bonds as a result of a Prepayment in accordance with this Section 4.05(a) and the resulting extraordinary mandatory redemption of Pod A 2023 Bonds, the excess amount shall be transferred from the Pod A 2023 Reserve Account to the Pod A 2023 Prepayment Subaccount, as a credit against the Pod A 2023 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer to the Trustee together with a certificate of a Responsible Officer of the Issuer stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Pod A 2023 Reserve Account to equal or exceed the Pod A 2023 Reserve Requirement.

(b) Upon receipt of Pod A 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 improvement lien book of the Issuer that the Pod A 2023 Special Assessment has been paid in whole or in part and that such Pod A 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 determination of what moneys constitute Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Pod A 2023 Bonds from Pod A 2023 Prepayment Principal forty-five (45) days prior to each Quarterly Redemption Date.

[END OF ARTICLE IV]

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from issuing refunding Bonds secured by the Pod A 2023 Special Assessments or any Bonds or other obligations secured by other Special Assessments (i) if such Special Assessments are levied on District Lands not subject to the Pod A 2023 Special Assessments, (ii) if such Bonds or other obligations are issued to finance a capital project that is necessary for health, safety or welfare reasons or to remediate any natural disaster, catastrophic damage or failure with respect to the Pod A 2023 Project, or (iii) upon the written consent of the Majority Holders.

**SECTION 5.05. Requisite Holders for Direction or Consent.** Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which requires the Holders of more than fifty percent (50%) in aggregate principal amount of the Outstanding Pod A 2023 Bonds shall in each case be deemed to refer to, and shall mean, the Majority Holders.

**SECTION 5.06. Acknowledgement Regarding Pod A 2023 Acquisition and Construction Account Moneys Following an Event of Default.** In accordance with the provisions of the Indenture, the Pod A 2023 Bonds are payable solely from the Pod A 2023 Pledged Revenues and any other moneys held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that the Pod A 2023 Pledged Revenues include, without limitation, all amounts on deposit in the Pod A 2023 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee and that, upon the occurrence of an Event of Default with respect to the Pod A 2023 Bonds, (i) the Pod A 2023 Pledged Revenues may not be used by the Issuer (whether to pay Costs of the Pod A 2023 Project or otherwise) without the consent of the Majority Holders, and (ii) the Pod A 2023 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay costs and expenses incurred in connection with the pursuit of remedies under the Indenture, provided, however notwithstanding anything herein to the contrary the Trustee is also authorized to utilize the Pod A 2023 Pledged Revenues to pay fees and expenses as provided in Section 10.12 of the Master Indenture.

During the continuance of an Event of Default specified in Subsections 10.02(a), 10.02(b) or 10.02(g) of the Master Indenture (a "Payment Related Default"), disbursements from the Pod A 2023 Acquisition and Construction Account shall be made only with the consent of the Majority Holders, except as provided below. During the continuance of a Payment Related Default, the Majority Holders shall have the right to provide direction to the Issuer to terminate, suspend, or proceed under any contracts for construction of the Pod A 2023 Project entered into prior to the occurrence of such Payment Related Default. The Majority Holders may provide such direction at any time during the continuance of such Payment Related Default and shall not be deemed to have waived their right to do so through inaction or delay and may change such direction from time to time.

(i) Until such time as the Majority Holders provide such direction to the Issuer, disbursements may be made without the consent of the Majority Holders for Costs incurred by the Issuer under construction contracts entered into by the Issuer prior to the occurrence of such Payment Related Default.

(ii) Upon direction by the Majority Holders to proceed under any such contract(s), no consent of the Majority Holders shall be required for disbursements for

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## ARTICLE V COVENANTS AND DESIGNATIONS OF THE ISSUER

**SECTION 5.01. Collection of Pod A 2023 Special Assessments.** Pursuant to the terms and provisions of the Master Indenture, and except as provided in the next succeeding sentence, when permitted by law, the Issuer shall collect the Pod A 2023 Special Assessments relating to the acquisition and construction of the Pod A 2023 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 shall, pursuant to the provisions of the Assessment Resolutions, directly collect the Pod A 2023 Special Assessments levied in lieu of the Uniform Method with respect to any lands within the Pod A 2023 Project Area that have not been platted, or for which the timing or legal requirements for using the Uniform Method will not yet allow for using such method, unless the Trustee at the direction of the Majority Holders upon the occurrence and continuance of an Event of Default directs the Issuer otherwise. In addition, and not in limitation of, the covenants contained elsewhere in this Supplemental Trust Indenture and in the Master Indenture, the Issuer covenants to comply with the terms of the proceedings heretofore adopted with respect to the Pod A 2023 Special Assessments, and to levy and collect the Pod A 2023 Special Assessments and any required true-up payments set forth in the Assessment Methodology, the Assessment Resolutions or True-Up Agreement in such manner as will generate funds sufficient to pay the Debt Service Requirements on the Pod A 2023 Bonds when due. All Pod A 2023 Special Assessments that are collected directly by the Issuer shall be due and payable by the Developer not later than thirty (30) days prior to each Interest Payment Date. The Assessment Methodology shall not be materially amended without the written consent of the Majority Holders.

**SECTION 5.02. Continuing Disclosure.** Contemporaneously with the execution and delivery hereof, the Issuer and the Developer have executed and delivered a Continuing Disclosure Agreement to assist the Underwriter in complying 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 the 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 Pod A 2023 funds, accounts and subaccounts therein created hereunder.

**SECTION 5.04. Additional Bonds.** The Issuer covenants not to issue any other Bonds or other debt obligations secured by the Pod A 2023 Special Assessments. In addition, the Issuer covenants not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments on the assessable lands within the District that are subject to the Pod A 2023 Special Assessments until the Pod A 2023 Special Assessments are Substantially Absorbed. The Issuer shall present the Trustee with a certification that the Pod A 2023 Special Assessments are Substantially Absorbed, and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Pod A 2023 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Pod A 2023 Special Assessments have not been Substantially Absorbed. Such covenants shall not prohibit the Issuer

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Costs incurred by the Issuer thereunder until the date of suspension or termination of such contract directed by the Majority Holders described in subparagraph (iii) below.

(iii) Upon direction by the Majority Holders to suspend or terminate such construction contract(s), disbursements for Costs incurred by the Issuer thereunder shall only be made (x) for disbursements for Costs incurred by the Issuer under construction contracts entered into by the Issuer prior to the occurrence of such Payment Related Default and which Costs relate to work performed before the earliest date on which the Issuer is entitled to suspend or terminate such construction contract at the direction of the Majority Holders, or (y) with the consent of the Majority Holders.

Notwithstanding anything to the contrary contained herein, during the continuance of a Payment Related Default, the consent of the Majority Holders shall be required for disbursements for Costs under contracts for the acquisition of Pod A 2023 Project improvements from the Developer or its affiliates.

[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. The Trustee agrees to act as Paying Agent, Registrar and Authenticating Agent for the Pod A 2023 Bonds.

**SECTION 6.02. Trustee's Duties.** The Trustee shall not be responsible in any manner for the due execution of this Supplemental Trust Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Pod A 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.

[END OF ARTICLE VI]

**ARTICLE VII  
MISCELLANEOUS PROVISIONS**

**SECTION 7.01. Interpretation of Supplemental Trust Indenture.** This Supplemental Trust Indenture amends and supplements the Master Indenture with respect to the Pod A 2023 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Supplemental Trust Indenture by reference. To the maximum extent possible, the Master Indenture and the Supplemental Trust Indenture shall be read and construed as one document.

**SECTION 7.02. Amendments.** Any amendments to this Supplemental Trust Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

**SECTION 7.03. Counterparts.** This Supplemental Trust 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 Supplemental Trust Indenture are hereby incorporated herein and made a part of this Supplemental Trust Indenture for all purposes.

**SECTION 7.05. Payment Dates.** In any case in which an Interest Payment Date or the maturity date of the Pod A 2023 Bonds or the date fixed for the redemption of any Pod A 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 Pod A 2023 Bonds, and no other person is intended to be a third party beneficiary hereof to be entitled to assert or preserve any claim hereunder.

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FOLLOWS]

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**IN WITNESS WHEREOF**, Rye Ranch Community Development District has caused this 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 Supplemental Trust Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

**RYE RANCH COMMUNITY  
DEVELOPMENT DISTRICT**

[SEAL]

Attest:

\_\_\_\_\_  
Chairperson, Board of Supervisors

\_\_\_\_\_  
Secretary, Board of Supervisors

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

\_\_\_\_\_  
Amanda Kumar, Vice President

**EXHIBIT A**

**DESCRIPTION OF POD A 2023 PROJECT**

<b>Pod A 2023 Project Improvements</b>	<b>Estimated Costs</b>
Stormwater System	\$ 6,610,000
Public Roadways	10,860,000
Water and Wastewater Utilities	5,440,000
Undergrounding of Conduit	260,000
Landscape/Hardscape/Irrigation	3,810,000
Conservation Areas	170,000
Off-Site Improvements	720,000
Professional Fees	770,000
Contingency	<u>3,870,000</u>
Total	\$32,510,000

All as set forth in the Engineer's Report relating to the Pod A 2023 Project.

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**EXHIBIT B**

**[FORM OF POD A 2023 BONDS]**

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\$[\_\_\_\_\_]

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
MANATEE COUNTY, FLORIDA  
RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND, SERIES 2023  
(POD A 2023 PROJECT AREA)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issuance</u>	<u>CUSIP</u>
_____%	May 1, 20__	_____, 2023	_____

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the Rye Ranch Community Development District (the "Issuer"), for value received, hereby promises to pay to the Registered Owner shown above or registered assigns, on the Maturity Date set forth above, from the sources hereinafter mentioned, 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, Principal of and interest on this Bond are payable by 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"), made payable to the Registered Owner and mailed on each Interest Payment Date commencing May 1, 2024 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"), provided however presentation is not required for payment while the Pod A 2023 Bonds are registered in book-entry only form. 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 May 1, 2024, 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,

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Majority Holders, and as to other rights and remedies of the Registered Owners of the Pod A 2023 Bonds.

The Registered 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 Registered Owner of this Bond that such Registered Owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, 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 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 Pod A 2023 Special Assessments to be assessed and levied by the Issuer as set forth in the Indenture.

By the acceptance of this Bond, the Registered Owner hereof assents to all the provisions of the Indenture. Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

This Bond is payable from and secured by Pod A 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 Pod A 2023 Special Assessments to secure and pay the Pod A 2023 Bonds.

The Pod A 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 Pod A 2023 Bonds shall be made on the dates specified below. Upon any redemption of Pod A 2023 Bonds other than in accordance with scheduled mandatory sinking fund redemption amounts, 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 Pod A 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 Pod A 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 Pod A 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 amount is due, the foregoing recalculation shall not be made to mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

Optional Redemption

The Pod A 2023 Bonds maturing after May 1, 20[\_\_\_] 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 [\_\_\_] 1, 20[\_\_\_] (less than all Pod A 2023 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Pod A 2023 Bonds to be redeemed, plus accrued interest from the most

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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 POD A 2023 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE POD A 2023 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, MANATEE 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 POD A 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, POD A 2023 SPECIAL ASSESSMENTS (AS DEFINED IN THE INDENTURE) TO SECURE AND PAY THE POD A 2023 BONDS. THE POD A 2023 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond is one of an authorized issue of Pod A 2023 Bonds of the Rye Ranch 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. 22-12 enacted by the Board of County Commissioners of Manatee County, Florida, which became effective on February 8, 2022, designated as "Rye Ranch Community Development District Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area)" (the "Pod A 2023 Bonds"), in the aggregate principal amount of [\_\_\_\_\_] and 00/100 Dollars (\$[\_\_\_\_\_] of like date, tenor and effect, except as to number. The Pod A 2023 Bonds are being issued under authority of the laws and Constitution of the State, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Pod A 2023 Project (as defined in the herein referred to Indenture). The Pod A 2023 Bonds shall be issued as fully registered Pod A 2023 Bonds in Authorized Denominations, as set forth in the Indenture. The Pod A 2023 Bonds are issued under and secured by a Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture"), as supplemented by a Supplemental Trust Indenture dated as of October 1, 2023 (the "Supplemental Trust 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 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 Pod A 2023 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 and the interest on the Pod A 2023 Bonds, the levy and the evidencing and certifying for collection, of the Pod A 2023 Special Assessments, the nature and extent of the security for the Pod A 2023 Bonds, the terms and conditions on which the Pod A 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 Pod A 2023 Bonds, the conditions under which such Indenture may be amended with the consent of the

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recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Pod A 2023 Optional Redemption Subaccount of the Pod A 2023 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Pod A 2023 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Pod A 2023 Bonds is substantially level.

Extraordinary Mandatory Redemption in Whole or in Part

The Pod A 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, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Pod A 2023 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) From Pod A 2023 Prepayment Principal deposited into the Pod A 2023 Prepayment Subaccount of the Pod A 2023 Bond Redemption Account following the payment in whole or in part of Pod A 2023 Special Assessments on any assessable property within the District Lands in accordance with the provisions of Section 4.05(a) of the Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Pod A 2023 Reserve Account to the Pod A 2023 Prepayment Subaccount as a result of such Pod A 2023 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of the Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Pod A 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Pod A 2023 Bonds is substantially level; or

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

(iii) Upon the Completion Date, from any funds remaining on deposit in the Pod A 2023 Acquisition and Construction Account not otherwise reserved to complete the Pod A 2023 Project and transferred to the Pod A 2023 General Redemption Subaccount of the Pod A 2023 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Pod A 2023 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Pod A 2023 Bonds is substantially level.

Mandatory Sinking Fund Redemption

The Pod A 2023 Bonds maturing on May 1, 20[\_\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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.

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<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\* Maturity.

The Pod A 2023 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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>
	\$

\* Maturity

The Pod A 2023 Bonds maturing on May 1, 20[ ] are subject to mandatory sinking fund redemption from the moneys on deposit in the Pod A 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>
	\$

\* Maturity

Except as otherwise provided in the Indenture, if less than all of the Pod A 2023 Bonds subject to redemption shall be called for redemption, the particular such Pod A 2023 Bonds or

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set forth in the Indenture, together with the interest accrued to the due date, or date of redemption, as applicable, the lien of such Pod A 2023 Bonds as to the Pod A 2023 Pledged Revenues with respect to the Pod A 2023 Bonds shall be discharged, except for the rights of the Registered 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.

This Bond shall initially be issued in the name of Cede & Co. as nominee for DTC, and so long as this Bond is held in book-entry-only form Cede & Co. shall be considered the Registered Owner for all purposes hereof, including the payment of the principal of and interest on this Bond. Payment to Direct Participants shall be the responsibility of DTC. Payments by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of Direct Participants and Indirect Participants and not of DTC, the Issuer or the Trustee.

The Issuer shall keep books for the registration of the Pod A 2023 Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Subject to the restrictions contained in the Indenture, the Pod A 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 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 Pod A 2023 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Pod A 2023 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 Pod A 2023 Bonds.

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) 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

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portions of such Pod A 2023 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

Notice of each redemption of the Pod A 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 Pod A 2023 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. The Issuer may provide that the any optional redemption of Pod A 2023 Bonds issued under the Indenture may be subject to certain conditions; provided that the notice of such conditional optional redemption must expressly state that such optional redemption is conditional and describe the conditions for such redemption. 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 Pod A 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 Pod A 2023 Bonds or such portions thereof on such date, interest on such Pod A 2023 Bonds or such portions thereof so called for redemption shall cease to accrue, such Pod A 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 Registered Owners thereof shall have no rights in respect of such Pod A 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 Registered 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.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the Pod A 2023 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturity thereof, with the interest accrued thereon.

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 two (2) 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 Government Obligations (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any Pod A 2023 Bond becoming due at maturity or by call for redemption in the manner

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this Bond, and of the issue of the Pod A 2023 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

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.

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**IN WITNESS WHEREOF**, Rye Ranch Community Development District has caused this Bond to be signed by the facsimile signature of the 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.

**RYE RANCH COMMUNITY  
DEVELOPMENT DISTRICT**

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

(SEAL)

Attest:

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

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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 Twelfth Judicial Circuit of the State of Florida, in and for Manatee County, rendered on the 21st day of June, 2022.

**RYE RANCH COMMUNITY  
DEVELOPMENT DISTRICT**

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

(SEAL)

Attest:

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

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**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Pod A 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.

B-12

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.

B-13

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 or on file with the District are copies of the invoice(s) or applicable contracts from the vendor of the property acquired or the services rendered, as well as applicable conveyance instruments (e.g. deed(s), bill(s) of sale, easement(s), etc.) with respect to which disbursement is hereby requested.

RYE RANCH COMMUNITY DEVELOPMENT DISTRICT

By: \_\_\_\_\_  
Responsible Officer  
Date: \_\_\_\_\_

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EXHIBIT C

FORM OF REQUISITION

RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2023  
(POD A 2023 PROJECT AREA)  
(Acquisition and Construction)

The undersigned, a Responsible Officer of the Rye Ranch Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of September 1, 2023 as supplemented by that certain Second Supplemental Trust Indenture dated as of October 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:
- (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) Fund or Account and subaccount, if any, from which disbursement to be made:

*Pod A 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 Pod A 2023 Acquisition and Construction Account; and
- 3. each disbursement set forth above was incurred in connection with the Costs of the Pod A 2023 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 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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CONSULTING ENGINEER'S APPROVAL ONLY

The undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Pod A 2023 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Pod A 2023 Project; and (iii) the Engineer's Report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof.

If this requisition is for an acquisition of a portion of the Pod A 2023 Project by the District, the Consulting Engineer further certifies and agrees that for any requisition (a) the portion of the Pod A 2023 Project that is the subject of this requisition is complete, (b) the Pod A 2023 Project improvements are constructed in a sound workmanlike manner and in accordance with industry standards; (c) the purchase price to be paid by the District for the portion of the Pod A 2023 Project to be acquired with this disbursement 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, (d) the plans and specifications for such portion of the Pod A 2023 Project improvements have been approved by all Regulatory Bodies required to approve them or such approval can reasonably be expected to be obtained; (e) all currently required approvals and permits for the acquisition, construction, reconstruction, installation and/or equipping of the portion of the Pod A 2023 Project for which disbursement is made have been obtained from all applicable regulatory bodies; and (f) for that portion of the Pod A 2023 Project being acquired, all contractors, subcontractors, and materialmen that have provided services or materials in connection with the portion of the Pod A 2023 Project for which disbursement is made hereby have been paid.

\_\_\_\_\_  
Consulting Engineer

Date: \_\_\_\_\_

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**EXHIBIT D  
FORM OF INVESTOR LETTER**

[Date]

Rye Ranch Community Development District  
c/ District Manager  
2300 Glades Road  
Suite # 410W  
Boca Raton, FL 33431

FMSbonds, Inc.  
20660 W. Dixie Highway  
North Miami Beach, FL 33180

Re: \$\_\_\_\_\_ Rye Ranch Community Development District Special Assessment  
Bonds, Series 2023 (Pod A 2023 Project 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, bearing interest at the rate of \_\_\_\_% per annum and CUSIP #] (herein, the "Investor 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 is an "accredited investor" as described in Rule 501 under Regulation D of the Securities Act of 1933, as amended (the "Securities Act"), 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, insurance company, registered investment company, business development company, or small business investment company;

☐ an employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;

☐ a charitable organization, corporation, or partnership with assets exceeding \$5 million;

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☐ 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, 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 exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or

☐ 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.

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.

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

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## **APPENDIX B**

### **PROPOSED FORM OF OPINION OF BOND COUNSEL**

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[Date of Delivery]

Board of Supervisors of Rye Ranch  
Community Development District  
Manatee County, Florida

Re: \$[\_\_\_\_\_] Rye Ranch Community Development District (Manatee County,  
Florida) Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by Rye Ranch Community Development District (the "District") of its \$[\_\_\_\_\_] original principal amount of Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) (the "Pod A 2023 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 by Ordinance No. 22-12, duly enacted by the Board of County Commissioners of Manatee County, Florida, on February 8, 2022. The Pod A 2023 Bonds are being issued pursuant to the Act, Resolution Nos. 2022-26 and 2024-01 adopted by the Board of Supervisors (the "Board") of the District on March 7, 2022 and October 11, 2023, respectively (collectively, the "Resolution"). The Pod A 2023 Bonds are being issued and secured under that certain Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture"), as supplemented by that certain Second Supplemental Trust Indenture dated as of October 1, 2023 (the "Supplemental Indenture" and, together with Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"). Capitalized terms used herein without definitions have the meanings ascribed thereto in the Indenture.

The Pod A 2023 Bonds are being issued for the primary purpose of financing the Pod A 2023 Project. To secure the payment of the Pod A 2023 Bonds, and subject to the terms of the Indenture, the District has pledged to the holders of the Pod A 2023 Bonds, and granted a lien to the holders of the Pod A 2023 Bonds on, the Pod A 2023 Pledged Revenues.

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 Pod A 2023 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 District set forth therein and such certified copies of the proceedings of the District and such other documents and opinions as we have deemed necessary to render this opinion. As to questions of fact material to our opinion, we have relied upon representations of the District furnished to us, without undertaking to verify such representations by independent investigation. We have also relied upon certain certifications and representations provided by SK Rye Road, LLC, a Delaware limited liability company, as landowner of all the real property within the Pod A – Assessment Area One subject to the Pod A 2023 Special Assessments constituting the Pod A 2023 Pledged Revenues, without undertaking to verify such representations by independent investigation.

Based on the foregoing, and subject to the qualifications and limitations stated in this letter, we are of the opinion that:

1. The District has the power to authorize, execute and deliver the Indenture, to perform its obligations thereunder and to issue the Pod A 2023 Bonds.

2. The Indenture has been duly authorized, executed and delivered by the District. The Indenture creates a valid pledge of the Pod A 2023 Pledged Revenues with respect to the Pod A 2023 Bonds and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. The issuance and sale of the Pod A 2023 Bonds have been duly authorized by the District and, assuming the due authentication thereof, the Pod A 2023 Bonds constitute valid and binding limited obligations of the District, 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 that the District must continue to meet after the issuance of the Pod A 2023 Bonds in order that interest on the Pod A 2023 Bonds not be included in gross income for federal income tax purposes. The failure of the District to meet these requirements may cause interest on the Pod A 2023 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted in the Indenture to take the actions required by the Code to maintain the exclusion from gross income for federal income tax purposes of interest on the Pod A 2023 Bonds. In rendering the opinion expressed below, we have assumed continuing compliance with the covenants that must be met after the issuance of the Pod A 2023 Bonds in order that interest on the Pod A 2023 Bonds not be included in gross income for federal income tax purposes.

Based on the foregoing, under existing statutes, regulations, rulings and court decisions, subject to the assumptions stated in the preceding paragraph, interest on the Pod A 2023 Bonds is excludable under Section 103 of the Code from the gross income of the owners thereof for federal income tax purposes. Furthermore, we are of the opinion that interest on the Pod A 2023 Bonds is not treated as a preference item in calculating the federal alternative minimum tax. However, for taxable years beginning after December 31, 2022, interest on the Pod A 2023 Bonds will be taken

into account in computing the alternative minimum tax imposed on certain corporations under the Code to the extent that such interest is included in the "adjusted financial statement income" of such corporations.

5. The Pod A 2023 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 Pod A 2023 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 Pod A 2023 Bonds are limited obligations of the District payable solely from the Pod A 2023 Pledged Revenues, and neither the full faith and credit nor the taxing power of the District, Manatee County, Florida, the State of Florida or any other political subdivision thereof is pledged as security for the payment of the Pod A 2023 Bonds. The Pod A 2023 Bonds do not constitute an indebtedness of the District within the meaning of any constitutional or statutory provision or limitation.

Our opinions expressed herein are predicated upon present laws, facts and circumstances, and we assume no affirmative obligation to update the opinions expressed herein if such laws, facts or circumstances change after the date hereof.

Respectfully submitted,

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**APPENDIX C**  
**ENGINEER'S REPORT**

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MASTER ENGINEER'S REPORT - POD A PROJECT  
FOR THE  
RYE RANCH COMMUNITY DEVELOPMENT DISTRICT

PREPARED FOR:  
BOARD OF SUPERVISORS  
RYE RANCH COMMUNITY DEVELOPMENT DISTRICT

ENGINEER:  
  
ZNS Engineering, LC  
Jeb C. Mulock, PE

November 2, 2022

**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
MASTER ENGINEER'S REPORT - POD A PROJECT**

**1. INTRODUCTION**

The purpose of this report is to provide a description of the portion of the District's capital improvement plan related to what is known as "Pod A" of the District ("**Pod A Project**"). All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the *Engineer's Report (Bond Validation Version)*, dated March 7, 2022 ("**Validation Report**"). The contents of the Validation Report are incorporated herein by this reference.

**2. GENERAL SITE DESCRIPTION**

The District is located entirely within Manatee County, Florida, and covers approximately 1,368.60 acres of land, more or less. The site is generally located south and west of CR 675, east of North Rye Road and north of Upper Manatee River Road. The District consists of multiple "pods" and/or development areas. Pod A is comprised of approximately 561.02 acres of land. The metes and bounds description of Pod A is set forth in **Exhibit A**.

**3. PROPOSED POD A PROJECT**

The Pod A Project, which is planned for multiple phases, is intended to provide public infrastructure improvements benefitting the lands within Pod A, which are currently planned for 1,764 units. The product mix is shown below.

**Table 1\***  
**(Estimated Product Types - Subject to Change)**

<b>Product Type</b>	<b>TOTAL Pod A Units</b>
35' to 39'	116
40'	500
50'	901
60'	247
74'	
Townhome A	
Townhome B	
Townhome C	
<b>TOTAL</b>	<b>1,764</b>

\*NOTE: All units are subject to conversion to other types, as permitted by applicable development approvals, and may include townhome units among others. Additional units, unit types and land uses may be incorporated in the future as permitted by applicable development approvals.

The Pod A Project will function as a system of improvements serving Pod A. The Pod A Project infrastructure includes all of the various improvements described in the Bond Validation Engineer's Report dated March 7, 2022, as may be amended from time to time, including but not limited to stormwater improvements, roadways, water and wastewater utilities, undergrounding of conduit, landscape/hardscape/irrigation improvements, recreational improvements, conservation areas, and professional services, all as specific to Pod A, as well as master improvements within the District<sup>1</sup> benefitting Pod A.

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<sup>1</sup> The District anticipates being merged into a stewardship district, to be known as the Northlake Stewardship District ("**SD**"). Accordingly, upon such merger, the "District" shall refer to the SD.



#### 4. PERMITTING/CONSTRUCTION COMMENCEMENT

All necessary permits for the construction of the Pod A Project have either been obtained, or are reasonably expected to be obtained in the future. They are listed in the chart attached hereto as **Exhibit B**.

#### 5. OPINION OF PROBABLE CONSTRUCTION COSTS

Table 2 shown below presents, among other things, the Opinion of Probable Construction Costs for the Pod A Project. It is our professional opinion that the costs set forth in Table 2 are reasonable and consistent with market pricing, both for the Pod A Project.

**TABLE 2**

Improvement	Estimated Cost for Pod A Project	Financing Entity	Operation & Maintenance Entity
Stormwater System	\$16,890,000.00	CDD	CDD
(CDD) Roadways	26,110,000.00	CDD	Manatee County
Water and Wastewater Utilities	18,000,000.00	CDD	Manatee County
Undergrounding of Conduit	1,030,000.00	CDD	CDD
Landscape/Hardscape/Irrigation	11,070,000.00	CDD	CDD
(CDD) Recreational Improvements <sup>6</sup>	1,980,000.00	CDD	CDD
Conservation Areas	670,000.00	CDD	CDD
Off-Site Improvements	720,000.00	CDD	Manatee County
Master Improvements	3,500,000.00	CDD	CDD
Professional Fees	2,360,000.00	CDD	CDD
Contingency	16,466,000.00	CDD	As above
<b>TOTAL</b>	<b>\$98,796,000.00</b>		

NOTES:

1. The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated CDD expenditures that may be incurred.
2. Roadway, landscape/hardscape/irrigation, and amenities improvements, if behind hard-gates, will not be part of the Pod A Project.
3. The master landowner or master developer reserves the right to finance any of the improvements outlined above, and have such improvements owned and maintained by a property owner's or homeowner's association (in which case such items would not be part of the Pod A Project), the District or a third-party.
4. At the master landowner or master developer's option, a third-party, or an applicable property owner's or homeowner's association may elect to maintain any District-owned improvements, subject to the terms of an agreement with the District.
5. As previously noted herein, and upon the merger of the District into the SD, the SD would take over the financing and operations roles of the District.
6. The costs for the recreational amenities listed above may include both on-site and off-site recreational facilities benefitting Pod A, but do not include any clubhouses planned to be within Pod A itself. Instead, such Pod A clubhouse(s) will be privately financed by the Pod A developer and owned by a homeowner's association.
7. As noted herein, the costs set forth above are estimates only. The District may spend additional monies for any given category of improvements above and beyond the amounts set forth for that category above. However, the District will not spend more than the total amount of \$98,796,000.00

without undertaking proceedings to levy additional special assessments securing the funding of the Pod A Project, or otherwise providing for such funding.

## 6. CONCLUSIONS

The Pod A Project will be designed in accordance with current governmental regulations and requirements. The Pod A Project will serve its intended function so long as the construction is in substantial compliance with the design. It is further our opinion that:

- The estimated cost of the Pod A Project as set forth herein is reasonable based on prices currently being experienced in Manatee County, Florida, and is not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- All of the improvements comprising the Pod A Project are contemplated by applicable development approvals;
- The Pod A Project is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the Pod A Project, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- The assessable property within Pod A will receive a special benefit from the Pod A Project that is at least equal to the costs of the Pod A Project attributable to Pod A; and
- The Pod A Project, including all of its phases, will function as a system of improvements benefitting all lands within Pod A.

The professional service for establishing the Construction Cost Estimate is consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

The Pod A Project will be owned by the District or other governmental units and such Pod A Project is intended to be available and will reasonably be available for use by the general public (subject to the District's rules and policies) including nonresidents of the District. All of the Pod A Project is or will be located on lands owned or to be owned by the District or another governmental entity or on public easements in favor of the District or other governmental entity. The Pod A Project, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property. Regarding any fill generated by construction of the Pod A Project, and that is not used as part of the Pod A Project, such fill may only be placed on-site where the cost of doing so is less expensive than hauling such fill off-site.

Please note that the Pod A Project as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the Pod A Project, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned units in Pod A, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.

Jeb C. Mulock, P.E. Date  
FL License No. 64692



Date:  
2022.10.31  
10:19:10  
-04'00'

**EXHIBIT A: Legal Description of Pod A**

LEGAL DESCRIPTION - A1

A PARCEL OF LAND BEING A PORTION OF SECTIONS 12 AND 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2095.10 FEET TO THE POINT OF BEGINNING. THENCE CONTINUE ALONG SAID EAST LINE, S00°29'55"W A DISTANCE OF 580.95 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST; THENCE S00°42'19"W, ALONG THE EAST LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 2632.63 FEET TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE S65°59'13"W A DISTANCE OF 1377.15 FEET; THENCE N88°25'52"W A DISTANCE OF 1483.77 FEET; THENCE N02°26'22"E A DISTANCE OF 1744.56 FEET; THENCE S50°35'20"W A DISTANCE OF 538.86 FEET; THENCE S57°46'55"W A DISTANCE OF 423.69 FEET; THENCE S02°26'22"W A DISTANCE OF 1091.72 FEET; THENCE N88°23'59"W A DISTANCE OF 880.94 FEET; THENCE N00°54'56"E A DISTANCE OF 198.67 FEET; THENCE N04°39'49"W A DISTANCE OF 175.46 FEET; THENCE N16°37'11"W A DISTANCE OF 215.60 FEET; THENCE N17°55'47"W A DISTANCE OF 368.23 FEET; THENCE N14°48'39"W A DISTANCE OF 513.12 FEET; THENCE N12°47'16"W A DISTANCE OF 1954.26 FEET; THENCE N66°49'36"E A DISTANCE OF 66.71 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 49°25'45" AND AN ARC LENGTH OF 25.88 FEET TO A POINT OF TANGENCY; THENCE N17°23'52"E A DISTANCE OF 27.12 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 70°17'43" AND AN ARC LENGTH OF 36.81 FEET TO A POINT OF TANGENCY; THENCE N52°53'51"W A DISTANCE OF 56.70 FEET; THENCE N17°27'57"E A DISTANCE OF 109.88 FEET; THENCE N13°30'18"W A DISTANCE OF 51.37 FEET; THENCE N43°06'22"E A DISTANCE OF 243.87 FEET; THENCE N00°00'38"E A DISTANCE OF 94.46 FEET; THENCE N47°53'50"E A DISTANCE OF 226.61 FEET; THENCE N33°40'58"E A DISTANCE OF 98.64 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 2°11'15" AND AN ARC LENGTH OF 1.15 FEET TO A POINT OF TANGENCY; THENCE N35°52'13"E A DISTANCE OF 133.53 FEET; THENCE S73°58'21"E A DISTANCE OF 100.62 FEET; THENCE S27°03'56"E A DISTANCE OF 60.92 FEET; THENCE S70°27'51"E A DISTANCE OF 178.40 FEET; THENCE S79°33'34"E A DISTANCE OF 115.72 FEET; THENCE N 68°17'14" E A DISTANCE OF 221.53 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N84°58'12"E, HAVING A RADIUS OF 1310.00 FEET, A CENTRAL ANGLE OF 1°54'37" AND AN ARC LENGTH OF 43.67 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 17°42'05" AND AN ARC LENGTH OF 105.04 FEET TO A POINT OF TANGENCY; THENCE N20°49'17"W A DISTANCE OF 312.96 FEET; THENCE N66°32'45"E A DISTANCE OF 11.89 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1408.00 FEET, A CENTRAL ANGLE OF 27°02'34" AND AN ARC LENGTH OF 664.56 FEET TO A POINT OF TANGENCY; THENCE S86°24'41"E A DISTANCE OF 320.87 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 26°07'36" AND AN ARC LENGTH OF 520.75 FEET; THENCE S74°32'42"E A DISTANCE OF 107.90 FEET;



THENCE S30°55'08"E A DISTANCE OF 349.51 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 355.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 71.12 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 645.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 129.22 FEET TO A POINT OF TANGENCY; THENCE S30°55'08"E A DISTANCE OF 487.19 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 5°35'05" AND AN ARC LENGTH OF 92.30 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S74°49'37"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N40°37'36"E, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 31°43'44" AND AN ARC LENGTH OF 524.42 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N60°34'27"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N03°58'19"W, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 21°52'33" AND AN ARC LENGTH OF 361.57 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1178.00 FEET, A CENTRAL ANGLE OF 25°17'05" AND AN ARC LENGTH OF 519.85 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N55°12'57"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°32'49" AND AN ARC LENGTH OF 238.99 FEET; THENCE S89°30'03"E A DISTANCE OF 86.30 FEET TO THE POINT OF BEGINNING.

#### LEGAL DESCRIPTION - A2

A PARCEL OF LAND BEING A PORTION OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1951.10 FEET; THENCE LEAVING SAID EAST LINE, N89°30'03"W A DISTANCE OF 86.30 FEET TO A POINT OF NON-TANGENT CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S55°19'47"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°45'51" AND AN ARC LENGTH OF 239.47 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S00°27'34"E, HAVING A RADIUS OF 1322.00 FEET, A CENTRAL ANGLE OF 25°23'19" AND AN ARC LENGTH OF 585.80 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 21°19'19" AND AN ARC LENGTH OF 298.83 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S53°52'26"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N09°27'06"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 30°37'16" AND AN ARC LENGTH OF 429.16 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N81°31'39"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH

OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N54°03'02"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 5°01'51" AND AN ARC LENGTH OF 70.51 FEET TO A POINT OF TANGENCY; THENCE N30°55'08"W A DISTANCE OF 623.44 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 195.00 FEET, A CENTRAL ANGLE OF 26°10'37" AND AN ARC LENGTH OF 89.09 FEET; THENCE N30°55'08"W A DISTANCE OF 326.23 FEET; THENCE N12°42'26"E A DISTANCE OF 107.90 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N39°17'59"W, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 50°12'07" AND AN ARC LENGTH OF 1000.61 FEET TO A POINT OF TANGENCY; THENCE N00°29'55"E A DISTANCE OF 670.82 FEET; THENCE S89°30'05"E A DISTANCE OF 1986.00 FEET TO THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE S00°29'55"W, ALONG SAID EAST LINE, A DISTANCE OF 760.57 FEET; TO THE POINT OF BEGINNING.

**EXHIBIT B – Permit Status**

Permit Name	Agency	Status	Approval Date	Reference #
General Development Plan/Rezone – PDMU-19-16(Z)(G) (approved)	Manatee	Approved	6/17/2021	PDMU-19-16(Z)(G)
Rye Ranch – South Wetland JD	SWFWMD	Approved	3/17/2022	ERP 42045794.000
Rye Ranch Pod A FDEP 404	FDEP	N/A	N/A	N/A
Rye Ranch Phase II Mass Grading ERP	SWFWMD	Processing	estimated Q4 of 2022	App 849744
Rye Ranch Phase II Mass Grading CP	Manatee	Processing	estimated Q4 of 2022	PLN2206-0006
Rye Ranch Phase IA & IB PSP/FSP/PP/CP	Manatee	Processing		PLN2110-0079 / PLN2110-0078
Rye Ranch Phase IA & IB SWFWMD ERP	SWFWMD	Processing		App 836470
Rye Ranch Off-site Utilities Construction Plan	Manatee	Approved		PLN2202-0055
Mulholland/Road CC Roadway and Utilities Construction Plan	Manatee	Processing		PLN2202-0100
Mulholland/Road CC SWFWMD ERP	SWFWMD	Processing	estimated Q4 of 2022	App 842914
Rye Ranch Pod A Phase II Construction Plan ERP	SWFWMD	Not Yet Submitted	estimated Q1 of 2023	TBD
Rye Ranch Pod A Phase II PSP/FSP/PP	Manatee	Not Yet Submitted	estimated Q1 of 2023	TBD
Rye Ranch Pod A Phase II Construction Plan	Manatee	Not Yet Submitted	estimated Q1 of 2023	TBD
Rye Ranch Pod A Phase II FDEP Wastewater Permit	FDEP	Not Yet Submitted	estimated Q1 of 2023	TBD
Rye Ranch Pod A Phase II FDEP Potable Water Permit	FDEP	Not Yet Submitted	estimated Q1 of 2023	TBD
Frye Ranch Pod A Phase II DEP Reclaimed Water Permit	FDEP	Not Yet Submitted	estimated Q1 of 2023	TBD
Rye Ranch Pod A Phase II Stormwater NPDES	FDEP	Not Yet Submitted	estimated Q4 of 2022	TBD
Rye Ranch Pod A Phase II Final Plat	Manatee	Not Yet Submitted	estimated Q3 of 2023	TBD
Rye Ranch Pod A Phase II Letter of Map Revision	FEMA	Not Yet Submitted	estimated Q4 of 2023	TBD



**SUPPLEMENTAL ENGINEER'S REPORT  
(POD A 2023 PROJECT)**

PREPARED FOR:

BOARD OF SUPERVISORS  
RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
(the "District")

ENGINEER:

ZNS Engineering, LC  
Jeb C. Mulock, PE

October 2023



**RYE RANCH COMMUNITY DEVELOPMENT DISTRICT  
FIRST SUPPLEMENTAL ENGINEER'S REPORT - POD A PROJECT**

**1. INTRODUCTION**

The purpose of this report is to provide a description of the first portion of the District's Pod A Project to be known as the "**Pod A 2023 Project.**" This report supplements that certain *Engineer's Report (Bond Validation Version)*, dated March 7, 2022, and *Master Engineer's Report - Pod A Project*, dated November 2, 2022 (together, "**Master Report**"), the terms of which are incorporated herein by reference. All capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Master Report.

**2. PROPOSED POD A PROJECT**

Pod A is comprised of approximately 561.02 acres of land. The metes and bounds description of Pod A is set forth in Exhibit A. The Pod A 2023 Project, located within Pod A, includes the public infrastructure necessary for the development of what is known as "**Phases IIA, IIB and IIC**" a/k/a the "**Pod A 2023 Project Area.**" Pod A 2023 Project Area is planned for the following product types:

**Table 1\***

<b>Product Type</b>	<b>Pod A 2023 Project Units (Phases IIA, IIB and IIC)</b>
35' to 39' Villas	44
40'	102
50'	265
60'	47
74'	0
Townhome A	0
Townhome B	0
Townhome C	0
<b>TOTAL</b>	<b>458</b>

\*NOTE: All units are subject to conversion to other types, as permitted by applicable development approvals, and may include townhome units among others. Additional units and unit types may be incorporated in the future as permitted by applicable development approvals.

The Pod A 2023 Project is part of the Pod A Project system of improvements serving Pod A. The Pod A 2023 Project infrastructure includes (collectively, "Pod A 2023 Project Improvements"):

- Stormwater improvements within Phases IIA, IIB and IIC
- Roadways within Phases IIA, IIB and IIC
- Water and wastewater utilities within Phases IIA, IIB and IIC
- Differential cost of undergrounding conduit within Phases IIA, IIB and IIC
- Certain landscape/hardscape/irrigation improvements within Phases IIA, IIB and IIC
- Conservation areas within Phases IIA, IIB and IIC
- Professional services
- Offsite and master improvements.

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1 The District anticipates being merged into a stewardship District, to be known as the Northlake Stewardship District ("SD"). Accordingly, upon such merger, the "District" shall refer to the SD.

Among other offsite and master improvements, and in connection with the development of the Pod A 2023 Project, the District intends to construct and/or acquire Rye Road turn lanes which serve Pod A.

### 3. PERMITTING/CONSTRUCTION COMMENCEMENT

All necessary permits for the construction of the Pod A 2023 Project have either been obtained, or are reasonably expected to be obtained in the future. They are listed in the chart attached hereto as **Exhibit B**.

### 4. OPINION OF PROBABLE CONSTRUCTION COSTS

The table below presents, among other things, the Opinion of Probable Construction Costs for the Pod A 2023 Project. It is our professional opinion that the costs set forth in the table are reasonable and consistent with market pricing.

**TABLE 2**

Improvement	Estimated Cost for Pod A 2023 Project	Operation & Maintenance Entity
Stormwater System	\$6,610,000	Manatee County/District
Public Roadways	\$10,860,000	Manatee County
Water and Wastewater Utilities	\$5,440,000	Manatee County
Undergrounding of Conduit	\$260,000	District
Landscape/Hardscape/Irrigation	\$3,810,000	District
Conservation Areas	\$170,000	District
Off-Site Improvements	\$720,000	Manatee County
Professional Fees	\$770,000	District
Contingency	\$3,870,000	As above
<b>TOTAL</b>	<b>\$32,510,000</b>	

NOTES:

1. The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated District expenditures that may be incurred.
2. Roadway and landscape/hardscape/irrigation improvements, if behind hard-gates, will not be part of the Pod A 2023 Project.
3. If not financed by the District, and in the District's discretion, all or a portion of the Pod A 2023 Project improvements may be owned and maintained by a property owner's or homeowner's association.
4. In the District's discretion, the District may elect to enter into an agreement with a third-party, or an applicable property owner's or homeowner's association, to maintain any District-owned improvements.
5. Any clubhouse(s) or recreational facilities constructed for Phases IIA, IIB or IIC will be privately financed by the Pod A homebuilder and owned by the master property owners' association or the neighborhood homeowners' sub-association.
6. Certain secondary drainage stormwater system improvements, including but not limited to yard drains, associated improvements, and other secondary drainage, and certain common areas and/or common area improvements, may be excluded from the Pod A 2023 Project Improvements at the District's sole discretion.

## 5. CONCLUSIONS

The Pod A 2023 Project will be designed in accordance with current governmental regulations and requirements. The Pod A 2023 Project will serve its intended function so long as the construction is in substantial compliance with the design. It is further our opinion that:

- The estimated cost of the Pod A 2023 Project as set forth herein is reasonable based on prices currently being experienced in Manatee County, Florida, and are not greater than the lesser of the actual cost of construction or the fair market value of such infrastructure;
- All of the improvements comprising the Pod A 2023 Project are required by applicable development approvals;
- The Pod A 2023 Project is feasible to construct, there are no technical reasons existing at this time that would prevent the implementation of the Pod A 2023 Project, and it is reasonable to assume that all necessary regulatory approvals will be obtained in due course;
- The assessable property within the Pod A 2023 Project Area will receive a special benefit from the Pod A 2023 Project that is at least equal to the costs of the Pod A 2023 Project; and
- The Pod A 2023 Project, including all of its phases, will function as a system of improvements together with the balance of the Pod A Project.

The professional service for establishing the Construction Cost Estimate is consistent with the degree of care and skill exercised by members of the same profession under similar circumstances.

The Pod A 2023 Project will be owned by the District or other governmental units and such Pod A 2023 Project is intended to be available and will reasonably be available for use by the general public (subject to the District's rules and policies) including nonresidents of the District. All of the Pod A 2023 Project improvements are or will be located on lands owned or to be owned by the District or another governmental entity or on public easements in favor of the District or other governmental entity. The Pod A 2023 Project, and any cost estimates set forth herein, do not include any earthwork, grading or other improvements on private lots or property. Regarding any fill generated by construction of the Pod A 2023 Project, and that is not used as part of the Pod A 2023 Project, such fill may only be placed on-site where the cost of doing so is less expensive than hauling such fill off-site.

Please note that the Pod A 2023 Project as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the Pod A 2023 Project, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned units in Phases IIA, IIB and IIC, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and the District expressly reserves the right to do so.



Jeb Mulock  
2023.10.12  
13:59:37  
-04'00'

Jeb C. Mulock, P.E. \_\_\_\_\_ Date  
FL License No. 64692

**EXHIBIT A - Legal Description of Pod A**

LEGAL DESCRIPTION - A1

A PARCEL OF LAND BEING A PORTION OF SECTIONS 12 AND 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2095.10 FEET TO THE POINT OF BEGINNING. THENCE CONTINUE ALONG SAID EAST LINE, S00°29'55"W A DISTANCE OF 580.95 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST; THENCE S00°42'19"W, ALONG THE EAST LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 2632.63 FEET TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE S65°59'13"W A DISTANCE OF 1377.15 FEET; THENCE N88°25'52"W A DISTANCE OF 1483.77 FEET; THENCE N02°26'22"E A DISTANCE OF 1744.56 FEET; THENCE S50°35'20"W A DISTANCE OF 538.86 FEET; THENCE S57°46'55"W A DISTANCE OF 423.69 FEET; THENCE S02°26'22"W A DISTANCE OF 1091.72 FEET; THENCE N88°23'59"W A DISTANCE OF 880.94 FEET; THENCE N00°54'56"E A DISTANCE OF 198.67 FEET; THENCE N04°39'49"W A DISTANCE OF 175.46 FEET; THENCE N16°37'11"W A DISTANCE OF 215.60 FEET; THENCE N17°55'47"W A DISTANCE OF 368.23 FEET; THENCE N14°48'39"W A DISTANCE OF 513.12 FEET; THENCE N12°47'16"W A DISTANCE OF 1954.26 FEET; THENCE N66°49'36"E A DISTANCE OF 66.71 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 49°25'45" AND AN ARC LENGTH OF 25.88 FEET TO A POINT OF TANGENCY; THENCE N17°23'52"E A DISTANCE OF 27.12 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 70°17'43" AND AN ARC LENGTH OF 36.81 FEET TO A POINT OF TANGENCY; THENCE N52°53'51"W A DISTANCE OF 56.70 FEET; THENCE N17°27'57"E A DISTANCE OF 109.88 FEET; THENCE N13°30'18"W A DISTANCE OF 51.37 FEET; THENCE N43°06'22"E A DISTANCE OF 243.87 FEET; THENCE N00°00'38"E A DISTANCE OF 94.46 FEET; THENCE N47°53'50"E A DISTANCE OF 226.61 FEET; THENCE N33°40'58"E A DISTANCE OF 98.64 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 2°11'15" AND AN ARC LENGTH OF 1.15 FEET TO A POINT OF TANGENCY; THENCE N35°52'13"E A DISTANCE OF 133.53 FEET; THENCE S73°58'21"E A DISTANCE OF 100.62 FEET; THENCE S27°03'56" E A DISTANCE OF 60.92 FEET; THENCE S70°27'51"E A DISTANCE OF 178.40 FEET; THENCE S79°33'34"E A DISTANCE OF 115.72 FEET; THENCE N 68°17'14" E A DISTANCE OF 221.53 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N84°58'12"E, HAVING A RADIUS OF 1310.00 FEET, A CENTRAL ANGLE OF 1°54'37" AND AN ARC LENGTH OF 43.67 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 17°42'05" AND AN ARC LENGTH OF 105.04 FEET TO A POINT OF TANGENCY; THENCE N20°49'17"W A DISTANCE OF 312.96 FEET; THENCE N66°32'45"E A DISTANCE OF 11.89 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1408.00 FEET, A CENTRAL ANGLE OF 27°02'34" AND AN ARC LENGTH OF 664.56 FEET TO A POINT OF TANGENCY; THENCE S86°24'41"E A DISTANCE OF 320.87 FEET



TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 26°07'36" AND AN ARC LENGTH OF 520.75 FEET; THENCE S74°32'42"E A DISTANCE OF 107.90 FEET; THENCE S30°55'08"E A DISTANCE OF 349.51 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 355.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 71.12 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 645.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 129.22 FEET TO A POINT OF TANGENCY; THENCE S30°55'08"E A DISTANCE OF 487.19 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 5°35'05" AND AN ARC LENGTH OF 92.30 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S74°49'37"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N40°37'36"E, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 31°43'44" AND AN ARC LENGTH OF 524.42 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N60°34'27"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N03°58'19"W, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 21°52'33" AND AN ARC LENGTH OF 361.57 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1178.00 FEET, A CENTRAL ANGLE OF 25°17'05" AND AN ARC LENGTH OF 519.85 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N55°12'57"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°32'49" AND AN ARC LENGTH OF 238.99 FEET; THENCE S89°30'03"E A DISTANCE OF 86.30 FEET TO THE POINT OF BEGINNING.

#### LEGAL DESCRIPTION - A2

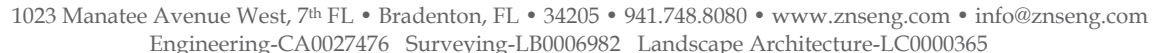
A PARCEL OF LAND BEING A PORTION OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

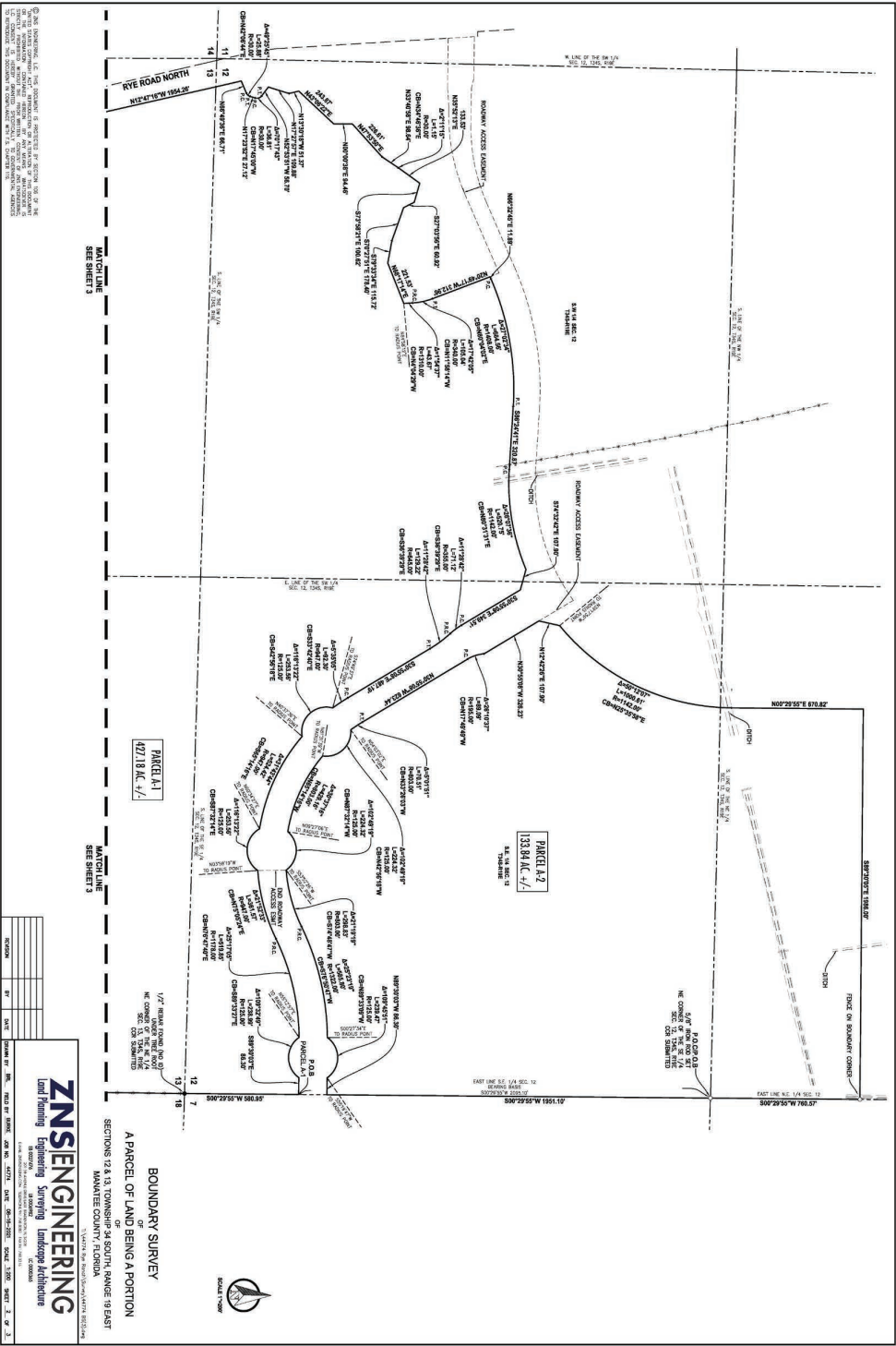
BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1951.10 FEET; THENCE LEAVING SAID EAST LINE, N89°30'03"W A DISTANCE OF 86.30 FEET TO A POINT OF NON-TANGENT CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S55°19'47"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°45'51" AND AN ARC LENGTH OF 239.47 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S00°27'34"E, HAVING A RADIUS OF 1322.00 FEET, A CENTRAL ANGLE OF 25°23'19" AND AN ARC LENGTH OF 585.80 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 21°19'19" AND AN ARC LENGTH OF 298.83 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S53°52'26"W, HAVING A RADIUS



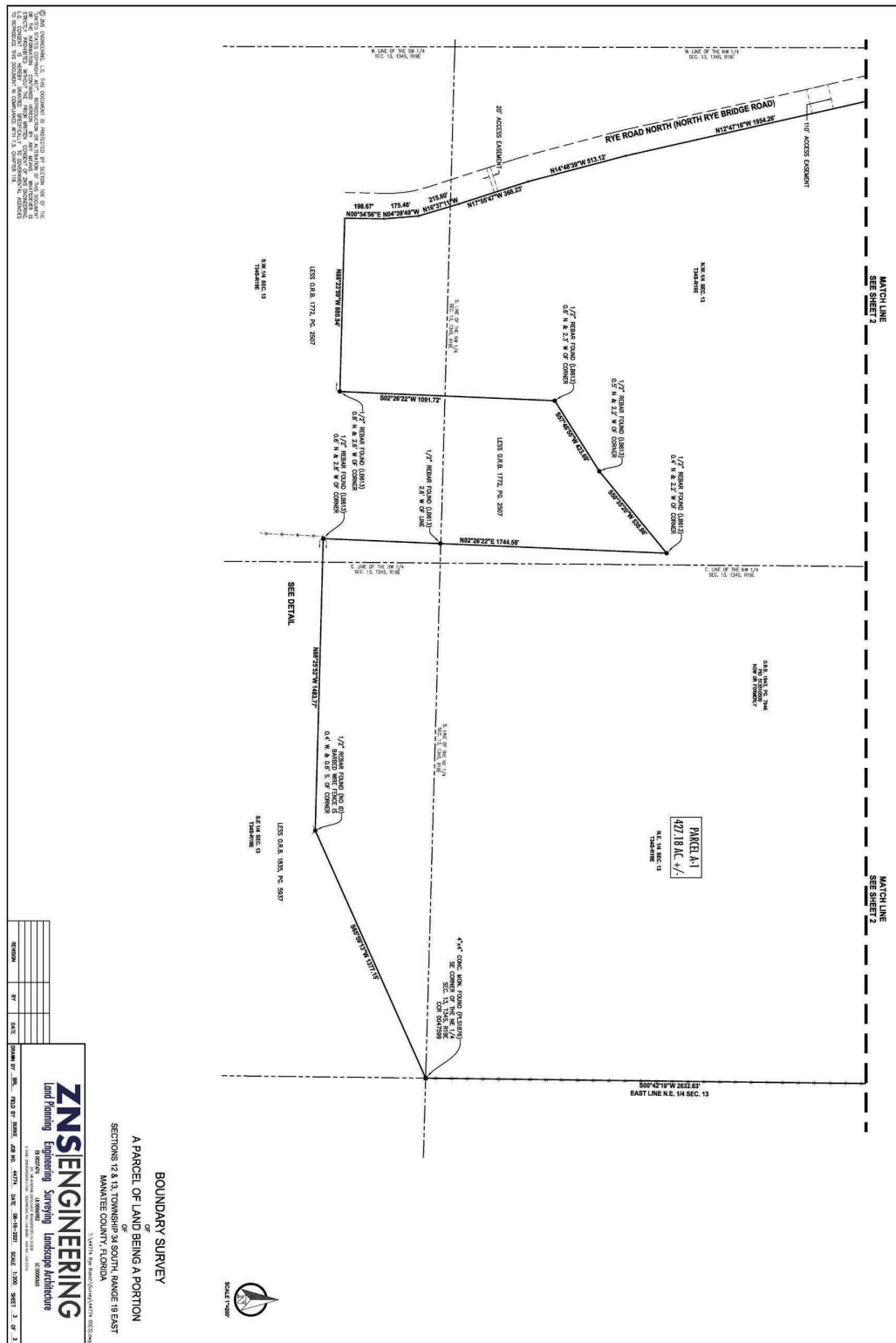


OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N09°27'06"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 30°37'16" AND AN ARC LENGTH OF 429.16 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N81°31'39"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N54°03'02"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 5°01'51" AND AN ARC LENGTH OF 70.51 FEET TO A POINT OF TANGENCY; THENCE N30°55'08"W A DISTANCE OF 623.44 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 195.00 FEET, A CENTRAL ANGLE OF 26°10'37" AND AN ARC LENGTH OF 89.09 FEET; THENCE N30°55'08"W A DISTANCE OF 326.23 FEET; THENCE N12°42'26"E A DISTANCE OF 107.90 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N39°17'59"W, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 50°12'07" AND AN ARC LENGTH OF 1000.61 FEET TO A POINT OF TANGENCY; THENCE N00°29'55"E A DISTANCE OF 670.82 FEET; THENCE S89°30'05"E A DISTANCE OF 1986.00 FEET TO THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE S00°29'55"W, ALONG SAID EAST LINE, A DISTANCE OF 760.57 FEET; TO THE POINT OF BEGINNING.









**EXHIBIT B – Permit Status**

Permit Name	Agency	Status	Approval Date	Reference #
General Development Plan/Rezone – PDMU-19-16(Z)(G) (approved)	Manatee	Approved	6/17/2021	PDMU-19-16(Z)(G)
Rye Ranch – South Wetland JD	SWFWMD	Approved	3/17/2022	ERP 42045794.000
Rye Ranch Pod A FDEP 404	FDEP	N/A	N/A	N/A
Rye Ranch Phase II Mass Grading ERP	SWFWMD	Approved	6/2/2022	43040135.008
Rye Ranch Phase II Mass Grading CP	Manatee	Approved	10/17/2022	PLN2206-0006
Rye Ranch Off-site Utilities Construction Plan	Manatee	Approved	8/22/2022	PLN2202-0055
Mulholland/Road CC Roadway and Utilities Construction Plan	Manatee	Approved	5/10/2023	PLN2202-0100
Mulholland/Road CC SWFWMD ERP	SWFWMD	Approved	3/29/2023	43040135.007
Rye Ranch Pod A Phase II Construction Plan ERP	SWFWMD	Processing	estimated Q2 of 2023	App 863231
Rye Ranch Pod A Phase II PSP/FSP/PP	Manatee	Processing	estimated Q2 of 2023	PLN2209-0034
Rye Ranch Pod A Phase II Construction Plan	Manatee	Processing	estimated Q2 of 2023	PLN2209-0035
Rye Ranch Pod A Phase II FDEP Wastewater Permit	FDEP	Processing	estimated Q2 of 2023	TBD
Rye Ranch Pod A Phase II FDEP Potable Water Permit	FDEP	Processing	estimated Q2 of 2023	TBD
Rye Ranch Pod A Phase II DEP Reclaimed Water Permit	FDEP	Processing	estimated Q2 of 2023	TBD
Rye Ranch Pod A Phase II Stormwater NPDES	FDEP	Not Yet Submitted	estimated Q2 of 2023	TBD
Rye Ranch Pod A Phase II Final Plat	Manatee	Not Yet Submitted	estimated Q4 of 2023	TBD
Rye Ranch Pod A Phase II Letter of Map Revision	FEMA	Not Yet Submitted	estimated Q4 of 2023	TBD

**APPENDIX D**

**ASSESSMENT METHODOLOGY**

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# RYE RANCH COMMUNITY DEVELOPMENT DISTRICT

## “Pod A Project” Master Special Assessment Methodology Report

November 2, 2022



Provided by:

**Wrathell, Hunt and Associates, LLC**  
2300 Glades Road, Suite 410W  
Boca Raton, FL 33431  
Phone: 561-571-0010  
Fax: 561-571-0013  
Website: [www.whhassociates.com](http://www.whhassociates.com)

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## **1.0 Introduction**

### **1.1 Purpose**

This Master Special Assessment Methodology Report (the "Report") was developed to provide a master financing plan and a master special assessment methodology for approximately 561.02 +/- acres of land within the Rye Ranch Community Development District (the "District") known as Pod A, located in unincorporated Manatee County, Florida, as related to funding the costs of public infrastructure improvements contemplated to be provided by the District.

### **1.2 Scope of the Report**

This Report presents the projections for financing the District's capital improvement plan (the "Pod A Project") for Pod A of the District as described in the Engineer's Report for the Rye Ranch Community Development District prepared by ZNS Engineering, L. C. (the "District Engineer") dated November 2, 2022 (the "Engineer's Report"), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of the Pod A Project.

### **1.3 Special Benefits and General Benefits**

Improvements undertaken and funded by the District as part of the Pod A Project create special and peculiar benefits, different in kind and degree than general benefits, for properties within Pod A as well as general benefits for properties outside Pod A and to the public at large. However, as discussed within this Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to property within Pod A. The District's Pod A Project enables properties within its boundaries to be developed.

There is no doubt that the general public and property owners of property outside Pod A will benefit from the provision of the Pod A Project. However, these benefits are only incidental since the Pod A Project is designed solely to provide special benefits peculiar to property within Pod A. Properties outside of Pod A are not directly served by the Pod A Project and do not depend upon the Pod A Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which District properties receive compared to those lying outside of Pod A.

The Pod A Project will provide public infrastructure improvements which are all necessary in order to make the lands within Pod A developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within Pod A to increase by more than the sum of the financed cost of the individual components of the Pod A Project. Even though the exact value of the benefits provided by the Pod A Project is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

#### **1.4 Organization of the Report**

*Section Two* describes the development program as proposed by the Developer, as defined below.

*Section Three* provides a summary of the Pod A Project as determined by the District Engineer.

*Section Four* discusses the financing program for Pod A.

*Section Five* introduces the special assessment methodology for Pod A.

### **2.0 Development Program**

#### **2.1 Overview**

The District<sup>1</sup> will serve the Rye Ranch development (the "Development" or "Rye Ranch"), a master planned development located in unincorporated Manatee County, Florida and covers approximately 1,368.60 +/- acres of land. The District is generally located south and west of CR 675, east of North Rye Road and north of Upper Manatee River Road. Pod A is comprised of 561.02 +/- acres of land. The metes and bounds description of Pod A is set forth in Exhibit "A."

#### **2.2 The Development Program**

The development of Pod A is anticipated to be conducted by SK Rye Road LLC, which is affiliated with Kolter Land Partners (the

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<sup>1</sup> The District anticipates being merged into a stewardship district, to be known as the Northlake Stewardship District (the "SD"). Accordingly, upon such merger, the "District" shall refer to the SD.



"Developer"). Based upon the information provided by the Developer and the District Engineer, the current development plan for Pod A envisions a total of 1,764 residential units, anticipated to be developed in multiple phases, although land use types and unit numbers may change throughout the development period. Table 1 in the *Appendix* illustrates the development plan for Pod A. The development of the balance of the land within the District is anticipated to be developed in the future as additional pods and/or development areas.

### **3.0 The Pod A Project**

#### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the Engineer's Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

#### **3.2 The Pod A Project**

The Pod A Project needed to serve the Pod A portion of the Development is projected to consist of improvements which will serve all of the lands in Pod A. The Pod A Project will consist of, among other things, stormwater improvements, roadways, water and wastewater utilities, undergrounding of conduit, landscape/hardscape/irrigation improvements, recreational improvements, conservation areas, and professional services, all as specific to Pod A, as well as master improvements within the District benefitting Pod A. At the time of this writing, the total cost of the Pod A Project, including professional services and contingency, is estimated to total approximately \$98,796,000.

Even though the installation of the improvements that comprise the Pod A Project may occur in one or multiple stages coinciding with phases of development within Pod A or master improvements outside of Pod A, the infrastructure improvements that comprise the Pod A Project will serve and provide benefit to all land uses in Pod A and will comprise an interrelated system of improvements, which means all of the improvements will serve the entirety of Pod A and improvements will be interrelated such that they will reinforce one another.

Table 2 in the *Appendix* illustrates the specific components and costs of the Pod A Project.

## **4.0 Financing Program**

### **4.1 Overview**

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within Pod A. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District.

Even though the actual financing plan may change to include multiple series of bonds, it is likely that in order to fully fund costs of the Pod A Project as described in *Section 3.2*, the District would have to issue approximately \$135,465,000 in par amount of special assessment bonds (the "Bonds").

**Please note that the purpose of this Report is to allocate the benefit of the Pod A Project to the various land uses in Pod A and based on such benefit allocation to apportion the maximum debt necessary to fund the Pod A Project. The discussion of the structure and size of the indebtedness is based on various estimates and is subject to change.**

### **4.2 Types of Bonds Proposed**

The proposed financing plan for Pod A provides for the issuance of the Bonds in the approximate principal amount of \$135,465,000 to finance approximately \$98,796,000 in Pod A Project costs. The Bonds as projected under this financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would be made every May 1 and November 1, and principal payments on the Bonds would be made either on May 1 or on November 1.

In order to finance the improvements and other costs, the District would need to borrow more funds and incur indebtedness in the total amount of approximately \$135,465,000. The difference is comprised of funding a debt service reserve, capitalized interest, underwriter's discount and costs of issuance. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

**Please note that the structure of the Bonds as presented in this Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary provided that the principal amount of Bonds that have been validated will not increase.**

## **5.0 Assessment Methodology**

### **5.1 Overview**

The issuance of the Bonds provides the District with funds necessary to construct/acquire the infrastructure improvements which are part of the Pod A Project outlined in *Section 3.2* and described in more detail by the District Engineer in the Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to the assessable properties within the boundaries of Pod A and general benefits accruing to areas outside of Pod A but being only incidental in nature. The debt incurred in financing the Pod A Project will be secured by assessing properties within Pod A that derive special and peculiar benefits from the Pod A Project. All properties that receive special benefits from the Pod A Project will be assessed for their fair share of the debt issued in order to finance all or a portion of the Pod A Project.

### **5.2 Benefit Allocation**

The most current development plan for Pod A envisions the development of 1,764 residential units, although unit numbers and land use types may change throughout the development period.

The infrastructure improvements that comprise the Pod A Project will serve and provide benefit to all land uses in Pod A and will comprise an interrelated system of improvements, which means all of the improvements will serve the entire Pod A and improvements will be interrelated such that they will reinforce one another. Notwithstanding the foregoing, the District reserves the right to create distinct assessment areas securing a series of Bonds issued to finance a portion of the Pod A Project.

By allowing for the land in Pod A to be developable, both the improvements that comprise the Pod A Project and their combined benefit will be greater than the sum of their individual benefits. All of

the land uses within Pod A will benefit from each infrastructure improvement category, as the improvements provide basic infrastructure to all land within Pod A and benefit all land within the Pod A as an integrated system of improvements.

As stated previously, the public infrastructure improvements included in the Pod A Project have a logical connection to the special and peculiar benefits received by the land within Pod A, as without such improvements, the development of the properties within Pod A would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land within Pod A, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments to the land receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied for, the improvement or debt allocated to that parcel.

The benefit associated with the Pod A Project of the District is proposed to be allocated to the different unit types within Pod A in proportion to the density of development and intensity of use of the infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the unit types contemplated to be developed within Pod A based on the relative density of development and the intensity of use of the infrastructure, the total ERU counts for each unit type, and the share of the benefit received by each unit type.

The rationale behind different ERU weights is supported by the fact that generally and on average smaller units or units with a lower intensity of use will use and benefit from the District's improvements less than larger units or units with a higher intensity of use. For instance, generally and on average smaller units or units with lower intensity of use produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than larger units. Additionally, the value of the larger units or units with a higher intensity of use is likely to appreciate by more in terms of dollars than that of the smaller units or units with a lower intensity of use as a result of the implementation of the Pod A Project. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received by the different unit types from the District's Pod A improvements.

Table 5 in the *Appendix* presents the apportionment of the assessment associated with funding the District's Pod A Project (the "Bond Assessments") in accordance with the ERU benefit allocation method presented in Table 4. Table 5 also presents the annual levels of the projected annual debt service per unit.

### **5.3 Assigning Bond Assessments**

The Bond Assessments will initially be levied on all of the gross acres of land in Pod A. Consequently, the Bond Assessments will be levied on approximately 561.02 +/- gross acres on an equal pro-rata gross acre basis and thus the total bonded debt in the amount of \$135,465,000 will be preliminarily levied on approximately 561.02 +/- gross acres at a rate of \$241,461.98 per acre.

As the land is platted, or other means of identifying lots can be determined, the Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 5 in the *Appendix*. Such allocation of Bond Assessments to platted parcels will reduce the amount of Bond Assessments levied on unplatted gross acres within Pod A.

Further, to the extent that any residential land which has not been platted is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

### **5.4 Lienability Test: Special and Peculiar Benefit to the Property**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District as contemplated herein create special and peculiar benefits to certain properties within Pod A. The District's improvements benefit assessable properties within the Pod A and accrue to all such assessable properties on an ERU basis.

Improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within Pod A. The special and peculiar benefits resulting from each improvement include, but are not limited to:

- a. added use of the property;

- b. added enjoyment of the property;
- c. decreased insurance premiums;
- d. increased marketability and value of the property.

The improvements which are part of the Pod A Project make the land in Pod A developable and saleable and when implemented jointly as parts of the Pod A Project, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

#### **5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

A reasonable estimate of the proportion of special and peculiar benefits received from the improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the Bond Assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2 initially* across all property within Pod A according to reasonable estimates of the special and peculiar benefits derived from the Pod A Project by different unit types.

#### **5.6 True-Up Mechanism**

The District's assessment program is predicated on the development of lots in a manner sufficient to include all of the planned Equivalent Residential Units ("ERUs") as set forth in Table 1 in the Appendix ("Development Plan"). At such time as lands are to be platted (or replatted) or site plans are to be approved (or re-approved), the plat or site plan (either, herein, "Proposed Plat") shall be presented to the District for a "true-up" review as follows:

- a. If a Proposed Plat results in the same amount of ERUs (and thus Bond Assessments) able to be imposed on the "Remaining Unplatted Lands" (i.e., those remaining unplatted lands after the Proposed Plat is recorded) as compared to what was originally contemplated under the Development Plan, then the District shall allocate the Bond Assessments to the product types being platted and the remaining property in accordance with this Report, and

cause the Bond Assessments to be recorded in the District's Improvement Lien Book.

b. If a Proposed Plat results in a greater amount of ERUs (and thus Bond Assessments) able to be imposed on the Remaining Unplatted Lands as compared to what was originally contemplated under the Development Plan, then the District may undertake a pro rata reduction of Bond Assessments for all assessed properties within the Property, or may otherwise address such net decrease as permitted by law.

c. If a Proposed Plat results in a lower amount of ERUs (and thus Bond Assessments) able to be imposed on the Remaining Unplatted Lands as compared to what was originally contemplated under the Development Plan, then the District shall require the landowner(s) of the lands encompassed by the Proposed Plat to pay a "True-Up Payment" equal to the difference between: (i) the Bond Assessments originally contemplated to be imposed on the lands subject to the Proposed Plat, and (ii) the Bond Assessments able to be imposed on the lands subject to the Proposed Plat, after the Proposed Plat (plus applicable interest, collection costs, penalties, etc.).

With respect to the foregoing true-up analysis, the District's Assessment Consultant, in consultation with the District Engineer, District Counsel and District Bond Counsel, shall determine in his or her sole discretion what amount of ERUs (and thus Bond Assessments) are able to be imposed on the Remaining Unplatted Lands, taking into account a Proposed Plat, by reviewing: a) the original, overall development plan showing the number and type of units reasonably planned for the development, b) the revised, overall development plan showing the number and type of units reasonably planned for the development, c) proof of the amount of entitlements for the Remaining Unplatted Lands, d) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and e) documentation that shows the feasibility of implementing the proposed development plan. Prior to any decision by the District not to impose a true-up payment, a supplemental methodology shall be produced demonstrating that there will be sufficient assessments to pay debt service on the applicable series of bonds and the District will conduct new proceedings under Chapters 170, 190 and 197, Florida Statutes upon the advice of District Counsel.

Any True-Up Payment shall become due and payable that tax year by the landowner of the lands subject to the Proposed Plat, shall be

in addition to the regular assessment installment payable for such lands, and shall constitute part of the Bond Assessment liens imposed against the Proposed Plat property until paid. A True-Up Payment shall include accrued interest on the applicable bond series to the interest payment date that occurs at least 45 days after the True-Up Payment (or the second succeeding interest payment date if such True-Up Payment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indentures for the applicable bond series)).

All Bond Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until provision for such payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres, any unallocated Bond Assessments shall become due and payable and must be paid prior to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

Such review shall be limited solely to the function and the enforcement of the District's assessment liens and/or true-up agreements. Nothing herein shall in any way operate to or be construed as providing any other plat approval or disapproval powers to the District. For further detail on the true-up process, please refer to the True-Up Agreement and applicable assessment resolution(s).

In addition to platting of property within Pod A, any planned sale of unplatted land to another builder or developer will cause the District to initiate a true-up test as described above to test whether the amount of the Bond Assessments per ERU for land that remains unplatted remains equal to \$80,423.30. The test will be based upon the development rights as signified by the number of ERUs associated with such parcel that are transferred from seller to buyer.

The District shall provide an estoppel or similar document to the buyer evidencing the amounts of Bond Assessments transferred at sale.

<sup>1</sup> For example, if the first platting includes 116 Villas, 500 SF 40' lots, 881 SF 50' lots, and 247 SF 60' lots, which equates to a total allocation of \$133,856,534.08 in Bond Assessments, then the remaining unplatted land would be required to absorb 20 SF 50' lots or \$1,608,465.92 in Bond Assessments. If the remaining unplatted land would only be able to absorb 10 SF 50' lots or \$804,232.96 in Bond Assessments, then a true-up, payable by the owner of the unplatted land, would be due in the amount of \$804,232.96 in Bond Assessments plus applicable accrued interest to the extent described in this Section.



## **5.7 Additional Items Regarding Bond Assessments Imposition and Allocation**

This master assessment allocation methodology is intended to establish, without the need for a further public hearing, the necessary benefit and fair and reasonable allocation findings for a master assessment lien, which may give rise to one or more individual assessment liens relating to individual bond issuances necessary to fund all or a portion of the project(s) referenced herein. All such liens shall be within the benefit limits established herein and using the allocation methodology described herein, and shall be described in one or more supplemental reports.

As noted herein, the Pod A Project functions as a system of improvements. Among other implications, this means that proceeds from any particular bond issuance can be used to fund master Pod A improvements within any benefitted property within Pod A of the District, regardless of where the Bond Assessments are levied, provided that Bond Assessments are fairly and reasonably allocated across all benefitted properties.

As set forth in any supplemental report, and for any particular bond issuance, the land developer may opt to “buy down” the Bond Assessments on particular product types and/or lands using a contribution of cash, infrastructure or other consideration, and in order for Bond Assessments to reach certain target levels. Note that any “true-up,” as described herein, may require a payment to satisfy “true-up” obligations as well as additional contributions to maintain such target assessment levels. Any amounts contributed by the developer to pay down Bond Assessments will not be eligible for “deferred costs,” if any are provided for in connection with any particular bond issuance.

No Bond Assessments are allocated herein to any public or private amenities or other common areas planned for the development. Such amenities and common areas will be owned and operated by the District, and/or a homeowners'/property owners' association. If owned by a homeowners'/property owners' association, the amenities will be considered a common element for the exclusive benefit of property owners. Alternatively, if owned by the District, the amenities will be available for use by the public, subject to the District's rules and policies. Accordingly, any benefit to the amenities and common areas flows directly to the benefit of all property in the District. As such, no Bond Assessments will be assigned to the amenities and common areas.

## **5.8 Assessment Roll**

Bond Assessments in the amount of \$135,465,000, plus interest and collection costs, are proposed to be levied over the area described in Exhibit “A”. Excluding any capitalized interest period, the Bond Assessments shall be paid in thirty (30) annual principal installments.

## **6.0 Additional Stipulations**

### **6.1 Overview**

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District’s Pod A Project. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information transactions beyond restatement of the factual information necessary for compilation of this Report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

**Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.**

## 7.0 Appendix

Table 1

### Rye Ranch

#### Community Development District

##### Pod A - Development Plan

Product Type	Total Number of Units
Villas	116
SF 40'	500
SF 50'	901
SF 60'	247
<b>Total</b>	<b>1,764</b>

Table 2

### Rye Ranch

#### Community Development District

##### Pod A - Project Costs

Improvement	Total Costs
Stormwater System	\$16,890,000
Roadways	\$26,110,000
Water and Wastewater Utilities	\$18,000,000
Undergrounding of Conduit	\$1,030,000
Landscape/ Hardscape/ Irrigation	\$11,070,000
Recreational Improvements	\$1,980,000
Conservation Areas	\$670,000
Off-Site Improvements	\$720,000
Master Improvements	\$3,500,000
Professional Fees	\$2,360,000
Contingency	\$16,466,000
<b>Total</b>	<b>\$98,796,000</b>

Table 3

# Rye Ranch

## Community Development District

### Preliminary Sources and Uses of Funds - Pod A

#### Sources

Bond Proceeds:

Par Amount

\$135,465,000.00

**Total Sources****\$135,465,000.00**

#### Uses

Project Fund Deposits:

Project Fund

\$98,796,000.00

Other Fund Deposits:

Debt Service Reserve Fund

\$12,033,008.26

Capitalized Interest Fund

\$21,674,400.00

Delivery Date Expenses:

Costs of Issuance

\$2,959,300.00

Rounding

\$2,291.74

**Total Uses****\$135,465,000.00**

Table 4

# Rye Ranch

## Community Development District

### Pod A - Benefit Allocation

Product Type	Total Number of Units	ERU Weight	Total ERU
Villas	116	0.75	87.00
SF 40'	500	0.80	400.00
SF 50'	901	1.00	901.00
SF 60'	247	1.20	296.40
<b>Total</b>	<b>1,764</b>		<b>1,684.40</b>

Table 5

# Rye Ranch

## Community Development District

### Pod A - Bond Assessments Apportionment

Product Type	Total Number of Units	Total Cost Allocation*	Total Bond Assessment Apportionment	Bond Assessment Apportionment per Unit	Annual Debt Service per Unit**
Villas	116	\$5,102,856.80	\$6,996,826.76	\$60,317.47	\$5,761.12
SF 40'	500	\$23,461,410.59	\$32,169,318.45	\$64,338.64	\$6,145.20
SF 50'	901	\$52,846,827.36	\$72,461,389.81	\$80,423.30	\$7,681.50
SF 60'	247	\$17,384,905.25	\$23,837,464.97	\$96,507.96	\$9,217.80
<b>Total</b>	<b>1,764</b>	<b>\$98,796,000.00</b>	<b>\$135,465,000.00</b>		

\* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4

\*\* Includes county collection costs estimated at 3% (subject to change) and an early collection discount allowance estimated at 4% (subject to change)

## Exhibit “A”

Bond Assessment in the total estimated amount of \$ 135,465,000 is proposed to be levied uniformly over the area described in the following pages:









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# RYE RANCH

## COMMUNITY DEVELOPMENT DISTRICT

Pod A 2023 Project  
Preliminary First Supplemental Special Assessment  
Methodology Report

October 5, 2023



Provided by:

**Wrathell, Hunt and Associates, LLC**  
2300 Glades Road, Suite 410W  
Boca Raton, FL 33431  
Phone: 561-571-0010  
Fax: 561-571-0013  
Website: [www.whhassociates.com](http://www.whhassociates.com)

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## **1.0 Introduction**

### **1.1 Purpose**

This Pod A 2023 Project Preliminary First Supplemental Special Assessment Methodology Report (the "Supplemental Report") was developed to supplement the Pod A Project Master Special Assessment Methodology Report (the "Master Report") dated November 2, 2022 and to provide a supplemental financing plan and a supplemental special assessment methodology for Phases 2A, 2B and 2C (herein, "Pod A 2023 Project Area") of the Rye Ranch Community Development District (the "District") located in unincorporated Manatee County, Florida. This Supplemental Report was developed in relation to funding by the District of a portion of the costs of public infrastructure improvements (the "Pod A Project") contemplated to be provided by the District.

### **1.2 Scope of the Supplemental Report**

This Supplemental Report presents projections for financing a portion of the District's Pod A Project described in the First Supplemental Engineer's Report (Pod A 2023 Project) prepared by ZNS Engineering, L.C. dated June 2023 (the "Supplemental Engineer's Report"), as well as describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of a portion of the Pod A Project necessary for the development of the Pod A 2023 Project Area (the "Pod A 2023 Project").

### **1.3 Special Benefits and General Benefits**

Public infrastructure improvements undertaken and funded by the District as part of the Pod A 2023 Project create special benefits for properties within the Pod A 2023 Project Area and general benefits for properties outside of the Pod A 2023 Project Area within the District and outside the borders of the District and to the public at large. However, as discussed within this Supplemental Report, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to property within the Pod A 2023 Project Area. The District's Pod A 2023 Project enables properties within the Pod A 2023 Project Area to be developed.

There is no doubt that the general public, property owners, and property outside the Pod A 2023 Project Area will benefit from the provision of the Pod A 2023 Project. However, these benefits are

only incidental since the Pod A 2023 Project is designed to provide special benefits peculiar to property within the Pod A 2023 Project Area. Properties outside the Pod A 2023 Project Area are not directly served by the Pod A 2023 Project and do not depend upon the Pod A 2023 Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which the Pod A 2023 Project Area properties receive compared to those lying outside of the boundaries of the Pod A 2023 Project Area.

The Pod A 2023 Project will provide public infrastructure improvements which are all necessary in order to make the lands within the Pod A 2023 Project Area developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within the Pod A 2023 Project Area to increase by more than the sum of the financed cost of the individual components of the Pod A 2023 Project. Even though the exact value of the benefits provided by the Pod A 2023 Project is hard to estimate at this point, it is without doubt greater than the costs associated with providing same.

#### **1.4 Organization of the Supplemental Report**

*Section Two* describes the development program as proposed by the Developer, as defined below.

*Section Three* provides a summary of the Pod A 2023 Project as determined by the District Engineer.

*Section Four* discusses the financing program for the Pod A 2023 Project Area.

*Section Five* introduces the special assessment methodology for Pod A 2023 Project Area.

### **2.0 Development Program**

#### **2.1 Overview**

The District<sup>1</sup> serves the Rye Ranch development (the "Development" or "Rye Ranch"), a master planned development located in unincorporated Manatee County, Florida and covers approximately 1,368.60 +/- acres of land. The District is generally located south and west of CR 675, east of North Rye Road and north

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<sup>1</sup> The District anticipates being merged into a stewardship district, to be known as the Northlake Stewardship District (the "SD"). Accordingly, upon such merger, the "District" shall refer to the SD.

of Upper Manatee River Road. The Pod A 2023 Project Area is initially comprised of all of what is known as Pod A, which includes 561.02 +/- acres of land, and, upon platting and development as described herein, is expected to be reduced in size to the first 458 platted lots within Pod A. The metes and bounds description of the Pod A 2023 Project Area is set forth in Exhibit “A.”

## **2.2 The Development Program**

SK Rye Road LLC (the “Developer”) is the current owner and private developer of the Pod A 2023 Project Area. Based upon the information provided by the Developer, the current development plan for the Pod A 2023 Project Area envisions a total of 458 residential dwelling units developed in two or more stages, although development staging, land use types and unit numbers may change throughout the development period. The first stage of development includes the development of 44 37.5’ Villa units, 102 Single-Family 40’ units, 265 Single-Family 50’ units and 47 Single-Family 60’ units within Phases 2A, 2B and 2C, which cumulatively represent the Pod A 2023 Project Area. Table 1 in the *Appendix* illustrates the development plan for the Pod A 2023 Project Area.

## **3.0 The Pod A 2023 Project**

### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the Engineer’s Report. Only public infrastructure that may qualify for bond financing by the District under Chapter 190, Florida Statutes and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

### **3.2 The Pod A 2023 Project**

The Pod A 2023 Project needed to serve the Pod A 2023 Project Area portion of the Development is projected to consist of stormwater system, public roadways, water and wastewater utilities, undergrounding of conduit, landscape/hardscape/irrigation, conservation areas, off-site improvements, professional fees and contingency, all as set forth in more detail in the Supplemental Engineer’s Report.

Even though the installation of the improvements that comprise the Pod A Project, which the Pod A 2023 Project is the first part of, is projected to occur in multiple stages coinciding with phases of

development within Pod A of the District, the infrastructure improvements that comprise the Pod A Project, including the Pod A 2023 Project, will serve and provide benefit to all land uses in Pod A and will comprise an interrelated system of improvements, which means all of the improvements will serve the entire District and the improvements will be interrelated such that they will reinforce one another.

Additionally, all of the infrastructure included in the Pod A 2023 Project will comprise an interrelated system of improvements, which means that all of the improvements will serve the entire Pod A 2023 Project Area and all improvements will be interrelated such that they will reinforce one another. At the time of this writing, the total costs of the Pod A 2023 Project are estimated at \$32,510,000. Table 2 in the *Appendix* illustrates the specific components of the Pod A 2023 Project and their costs.

## **4.0 Financing Program**

### **4.1 Overview**

As noted above, the District is embarking on a program of capital improvements which will facilitate the development of lands within the Pod A 2023 Project Area. Generally, construction of public improvements is either funded by the Developer and then acquired by the District or funded directly by the District.

The District intends to issue its Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) in the estimated principal amount of \$8,600,000\* (the "Series 2023 Bonds") to fund an estimated \$6,971,700\* in Pod A 2023 Project costs to be expended serving and supporting the development of the Pod A 2023 Project Area, with the balance of the Pod A 2023 Project costs anticipated to be contributed by the Developer.

### **4.2 Types of Bonds Proposed**

The proposed supplemental financing plan for the Pod A 2023 Project Area provides for the issuance of the Series 2023 Bonds in the total estimated principal amount of \$8,600,000\* to finance a portion of the Pod A 2023 Project costs in the total amount estimated at \$6,971,700\*. The Series 2023 Bonds as projected under this supplemental financing plan are structured to be amortized in 30

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\* Preliminary, subject to change



annual installments following a 12-month capitalized interest period with interest payments on the Series 2023 Bonds made every May 1 and November 1, and principal payments on the Bonds would be made on every May 1.

In order to finance a portion of the Pod A 2023 Project costs, the District will need to incur indebtedness in the total amount estimated at \$8,600,000\*. The difference is comprised of funding a debt service reserve account, capitalized interest and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Series 2023 Bonds are presented in Table 3 in the *Appendix*.

## **5.0 Assessment Methodology**

### **5.1 Overview**

The issuance of the Series 2023 Bonds provides the District with funds necessary to construct/acquire the public infrastructure improvements which are part of the Pod A 2023 Project outlined in *Section 3.2* and described in more detail by the District Engineer in the Supplemental Engineer's Report. These improvements lead to special and general benefits, with special benefits accruing to properties within the boundaries of the Pod A 2023 Project Area. General benefits accrue to areas outside the Pod A 2023 Project Area, but are only incidental in nature. The debt incurred in financing the public infrastructure improvements will be secured by assessing properties that derive special and peculiar benefits from the Pod A 2023 Project. Properties that receive special benefits from the Pod A 2023 Project will be assessed for their fair share of the debt issued in order to finance the Pod A 2023 Project.

### **5.2 Benefit Allocation**

Based upon the information provided by the Developer and the District Engineer, the Pod A 2023 Project Area is anticipated to be developed with a total of 458 residential dwelling units within Phases 2A, 2B and 2C, although unit numbers and product types may change throughout the development period.

The public infrastructure included in the Pod A 2023 Project will comprise an interrelated system of public infrastructure improvements, which means that all of the improvements will serve in each respective phase within the Pod A 2023 Project Area and such public improvements will be interrelated in such way that, once

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\* Preliminary, subject to change

constructed, they will reinforce each other and their combined benefit will be greater than the sum of their individual benefits. As stated previously, the public infrastructure improvements included in the Pod A 2023 Project have a logical connection to the special and peculiar benefits received by the Pod A 2023 Project Area, as without such improvements, the development of such properties within the Pod A 2023 Project Area would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the designated lands within the Pod A 2023 Project Area, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the lands within the Pod A 2023 Project Area receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the assessment related to the financed cost of constructing the Pod A 2023 Project.

In following the Master Report, this Supplemental Report proposes to allocate the benefit associated with the Pod A 2023 Project in accordance with a standard measure called an Equivalent Residential Unit ("ERU"). Table 4 in the Appendix illustrates the ERU weights that are proposed to be assigned to the unit types contemplated to be developed within the Pod A 2023 Project Area within the District based on the densities of development and the intensities of use of infrastructure, total ERU counts for each unit type, and the share of the benefit received by each unit type.

The rationale behind the different ERU values is supported by the fact that generally and on average, units with smaller lot sizes will use and benefit from the improvements which are part of the Pod A 2023 Project less than units with larger lot sizes. For instance, generally and on average units with smaller lot sizes will produce less storm water runoff, may produce fewer vehicular trips, and may need less water/sewer capacity than units with larger lot sizes. Additionally, the value of the units with larger lot sizes is likely to appreciate by more in terms of dollars than that of the units with smaller lot sizes as a result of the implementation of the infrastructure improvements. As the exact amount of the benefit and appreciation is not possible to be calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received by representatives of different unit types from the District's capital improvement program including the Pod A 2023 Project.

Based on the ERU benefit allocation illustrated in Table 4, Table 5 in the *Appendix* presents the allocation of the amount of Pod A 2023 Project costs allocated to the units proposed to be developed within the Pod A 2023 Project Area based on the ERU benefit allocation factor present in Table 4. Further, Table 5 illustrates the approximate costs that are projected to be financed with the Series 2023 Bonds, and the approximate costs of the portion of the Pod A 2023 Project costs to be contributed by the Developer, as the case may be. With the Series 2023 Bonds funding an estimated \$6,971,700\* in costs of the Pod A 2023 Project, the Developer is anticipated to fund improvements valued at an estimated cost of \$25,538,300\* which will not be funded with proceeds of the Series 2023 Bonds.

Finally, Table 6 in the *Appendix* presents the apportionment of the bond assessments securing each series of the Series 2023 Bonds (the "Series 2023 Bond Assessments") and also present the annual levels of the projected annual debt service assessments per unit.

**Amenities** - No Series 2023 Bond Assessments are allocated herein to any private amenities or other common areas planned for the development. If owned by a homeowner's association, the amenities and common areas would be considered a common element for the exclusive benefit of property owners. Accordingly, any benefit to the amenities and common areas would directly benefit all platted lots in the District. If the amenities are owned by the District, then they would be governmental property not subject to the Series 2023 Bond Assessments and would be open to the general public, subject to District rules and policies. As such, no Series 2023 Bond Assessments will be assigned to the amenities and common areas.

**Governmental Property** - If at any time, any portion of the property contained in the District is sold or otherwise transferred to a unit of local, state, or federal government (without consent of such governmental unit to the imposition of Series 2023 Bond Assessments thereon), or similarly exempt entity, all future unpaid Series 2023 Bond Assessments for such tax parcel shall become due and payable immediately prior to such transfer.

**New Product Types** - Generally stated, the Series 2023 Bond Assessments have been established based on an ERU value per front foot for the anticipated product types as set forth in Table 4. However, as noted herein and in the Master Report, additional product types may be developed throughout the development period, including but not limited to a 60' Single-Family unit. In such an event, the District's Assessment Consultant will determine ERU allocations,

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\* Preliminary, subject to change

and the resulting Series 2023 Bond Assessment, for the added product types based on the underlying ERU values per front foot set forth in Table 4, which allocation may be considered and finalized by the Board after due notice and public hearing. For example, in using such process, the ERU allocation for a 60' Single-Family product type would be 1.2 ERUs.

### **5.3 Assigning Bond Assessments**

The Series 2023 Bond Assessments will initially be levied on all of the gross acres of land in the Pod A 2023 Project Area. Consequently, the Series 2023 Bond Assessments will be levied on Approximately 561.02 +/- gross acres on an equal pro-rata gross acre basis and thus the total bonded debt in the amount of \$8,600,000\* will be preliminarily levied on approximately 561.02 +/- gross acres at a rate of \$15,329.22 per acre.

As the land is platted, or other means of identifying lots can be determined, the Series 2023 Bond Assessments will be allocated to each platted parcel on a first platted-first assigned basis based on the planned use for that platted parcel as reflected in Table 5 in the *Appendix*. Such allocation of Series 2023 Bond Assessments to platted parcels will reduce the amounts of Series 2023 Bond Assessments levied on unplatted gross acres within the Pod A 2023 Project Area.

In the event unplatted land (the "Transferred Property") is sold to a third party not affiliated with the Developer, the Series 2023 Bond Assessments will be assigned to such Transferred Property at the time of the sale based on the maximum total number of ERUs assigned by the Developer to that Transferred Property, subject to review by the District's methodology consultant, to ensure that any such assignment is reasonable, supported by current development rights and plans, and otherwise consistent with this Supplemental Report. The owner of the Transferred Property will be responsible for the total Series 2023 Bond Assessments applicable to the Transferred Property, regardless of the total number of ERUs ultimately actually platted. These total Series 2023 Bond Assessments are fixed to the Transferred Property at the time of the sale. If the Transferred Property is subsequently sub-divided into smaller parcels, the total Series 2023 Bond Assessments initially allocated to the Transferred Property will be re-allocated to the smaller parcels pursuant to the methodology as described herein (i.e. equal assessment per acre until platting).

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\* Preliminary, subject to change

#### **5.4 Lienability Test: Special and Peculiar Benefit to the Property**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, improvements undertaken by the District create special and peculiar benefits to certain properties within the Pod A 2023 Project Area. The Pod A 2023 Project benefits assessable properties within the Pod A 2023 Project Area and accrues to all such assessable properties on an ERU basis.

Public infrastructure improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within the District. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The public infrastructure improvements which are part of the Pod A 2023 Project make the land in the Pod A 2023 Project Area developable and saleable and when implemented jointly as parts of the Pod A 2023 Project, provide special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

#### **5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

A reasonable estimate of the proportion of special and peculiar benefits received by the various product types from the improvements is delineated in Table 4 (expressed as the ERU factors).

The apportionment of the Series 2023 Bond Assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within the Pod A 2023 Project Area according to reasonable estimates of the Pod A 2023 Project.

Accordingly, no acre or parcel of property within the Pod A 2023 Project Area will be liened for the payment of Series 2023 Bond

Assessments more than the determined special benefit peculiar to that property.

## **5.6 True-Up Mechanism**

The District's assessment program is predicated on the development of lots in a manner sufficient to include all of the planned Equivalent Residential Units ("ERUs") as set forth in Table 1 in the Appendix ("Development Plan"). At such time as lands are to be platted (or replatted) or site plans are to be approved (or re-approved), the plat or site plan (either, herein, "Proposed Plat") shall be presented to the District for a "true-up" review as follows:

- a. If a Proposed Plat within the Pod A 2023 Project Area results in the same amount of ERUs (and thus Series 2023 Bond Assessments) able to be imposed on the "Remaining Unplatted Developable Lands" within the Pod A 2023 Project Area (i.e., those remaining unplatted developable lands after the Proposed Plat is recorded) as compared to what was originally contemplated under the Development Plan, then the District shall allocate the Series 2023 Bond Assessments to the product types being platted and the remaining property in accordance with this First Supplemental Report, and cause the Series 2023 Bond Assessments to be recorded in the District's Improvement Lien Book.
- b. If a Proposed Plat within the Pod A 2023 Project Area results in a greater amount of ERUs (and thus Series 2023 Bond Assessments) able to be imposed on the Remaining Unplatted Developable Lands within the Pod A 2023 Project Area as compared to what was originally contemplated under the Development Plan, then the District may undertake a pro rata reduction of Series 2023 Bond Assessments for all assessed properties within the Pod A 2023 Project Area, or may otherwise address such net decrease as permitted by law.
- c. If a Proposed Plat within the Pod A 2023 Project Area results in a lower amount of ERUs (and thus Series 2023 Bond Assessments) able to be imposed on the Remaining Unplatted Developable Lands within the Pod A 2023 Project Area as compared to what was originally contemplated under the Development Plan, then the District shall require the landowner(s) of the lands encompassed by the Proposed Plat to pay a "True-Up Payment" equal to the difference between: (i) the Series 2023 Bond Assessments originally contemplated to be imposed on the lands subject to the Proposed Plat, and (ii) the Series 2023 Bond Assessments able to be imposed on the lands subject to the

Proposed Plat, after the Proposed Plat (plus applicable interest, collection costs, penalties, etc.).

With respect to the foregoing true-up analysis, the District's Assessment Consultant, in consultation with the District Engineer and District Counsel, shall determine in his or her sole discretion what amount of ERUs (and thus Series 2023 Bond Assessments) are able to be imposed on the Remaining Unplatted Developable Lands within the Pod A 2023 Project Area, taking into account a Proposed Plat, by reviewing: a) the original, overall development plan showing the number and type of units reasonably planned for the Pod A 2023 Project Area, b) the revised, overall development plan showing the number and type of units reasonably planned for within the Pod A 2023 Project Area, c) proof of the amount of entitlements for the Remaining Unplatted Developable Lands within the Pod A 2023 Project Area, d) evidence of allowable zoning conditions that would enable those entitlements to be placed in accordance with the revised development plan, and e) documentation that shows the feasibility of implementing the proposed development plan. Prior to any decision by the District not to impose a true-up payment, a supplemental methodology shall be produced demonstrating that there will be sufficient assessments to pay debt service on the applicable series of bonds and the District will conduct new proceedings under Chapters 170, 190 and 197, Florida Statutes upon the advice of District Counsel.

Any True-Up Payment shall become due and payable that tax year by the landowner of the lands subject to the Proposed Plat within the Pod A 2023 Project Area, shall be in addition to the regular assessment installment payable for such lands, and shall constitute part of the debt assessment liens imposed against the Proposed Plat property until paid. A True-Up Payment shall include accrued interest on the applicable bond series to the interest payment date that occurs at least 45 days after the True-Up Payment (or the second succeeding interest payment date if such True-Up Payment is made within forty-five (45) calendar days before an interest payment date (or such other time as set forth in the supplemental indentures for the applicable bond series)).

All Series 2023 Bond Assessments levied run with the land, and such assessment liens include any True-Up Payments. The District will not release any liens on property for which True-Up Payments are due, until payment has been satisfactorily made. Further, upon the District's review of the final plat for the developable acres within the Pod A 2023 Project Area, any unallocated Series 2023 Bond Assessments shall become due and payable and must be paid prior

to the District's approval of that plat. This true-up process applies for both plats and/or re-plats.

Such review shall be limited solely to the function and the enforcement of the District's assessment liens and/or true-up agreements. Nothing herein shall in any way operate to or be construed as providing any other plat approval or disapproval powers to the District. For further detail on the true-up process, please refer to the True-Up Agreement and applicable assessment resolution(s).

## **5.7 Preliminary Assessment Roll**

The Series 2023 Bond Assessments in the estimated amount of \$8,600,000\* are proposed to be levied as illustrated in Exhibit A. Excluding any capitalized interest period, debt service assessments shall be paid in thirty (30) annual installments.

## **6.0 Additional Stipulations**

### **6.1 Overview**

Wrathell, Hunt and Associates, LLC was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's Pod A 2023 Project. Certain financing, development and engineering data was provided by members of District Staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Wrathell, Hunt and Associates, LLC makes no representations regarding said information beyond restatement of the factual information necessary for compilation of this Supplemental Report. For additional information on the structure of any bonds and related items, please refer to the offering statement associated with any bonding transaction.

**Wrathell, Hunt and Associates, LLC does not represent the District as a Municipal Advisor or Securities Broker nor is Wrathell, Hunt and Associates, LLC registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Wrathell, Hunt and Associates, LLC does not provide the District with financial advisory services or offer investment advice in any form.**

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\* Preliminary, subject to change



## 7.0 Appendix

Table 1

### Rye Ranch

#### Community Development District

##### Pod A 2023 Project Area - Development Plan

Product Type	Phase 2A	Phase 2B	Phase 2C	Total Number of Units
37.5' Villas	2	-	42	44
SF 40'	79	23	-	102
SF 50'	92	77	96	265
SF 60'	25	22	-	47
<b>Total</b>	<b>198</b>	<b>122</b>	<b>138</b>	<b>458</b>

Table 2

### Rye Ranch

#### Community Development District

##### Pod A 2023 Project Area - Project Costs

Improvement	Total Costs
Stormwater System	\$6,610,000
Public Roadways	\$10,860,000
Water and Wastewater Utilities	\$5,440,000
Undergrounding of Conduit	\$260,000
Landscape/ Hardscape/ Irrigation	\$3,810,000
Conservation Areas	\$170,000
Off-Site Improvements	\$720,000
Professional Fees	\$770,000
Contingency	\$3,870,000
<b>Total</b>	<b>\$32,510,000</b>

Table 3

### Rye Ranch

#### Community Development District

##### Preliminary Sources and Uses of Funds - Pod A 2023 Project Area

###### Sources

Bond Proceeds:	
Par Amount	\$8,600,000.00
<b>Total Sources</b>	<b>\$8,600,000.00</b>

###### Uses

Project Fund Deposits:	
Project Fund	\$6,971,700.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$675,800.00
Capitalized Interest Fund	\$580,500.00
Delivery Date Expenses:	
Costs of Issuance	\$372,000.00
<b>Total Uses</b>	<b>\$8,600,000.00</b>

Table 4

## Rye Ranch

### Community Development District

#### Pod A 2023 Project Area Benefit Allocation

Product Type	Total Number of Units	ERU Weight	Total ERU
37.5' Villas	44	0.75	33.00
SF 40'	102	0.80	81.60
SF 50'	265	1.00	265.00
SF 60'	47	1.20	56.40
<b>Total</b>	<b>458</b>		<b>436.00</b>

Table 5

## Rye Ranch

### Community Development District

#### Pod A 2023 Project Area Cost Allocation

Product Type	Pod A 2023 Project Costs Allocation	2023 Project Costs Funded with Bonds	2023 Project Costs Funded by Developer
37.5' Villas	\$2,460,619.27	\$527,674.54	\$1,932,944.72
SF 40'	\$6,084,440.37	\$1,304,795.23	\$4,779,645.14
SF 50'	\$19,759,518.35	\$4,237,386.47	\$15,522,131.88
SF 60'	\$4,205,422.02	\$901,843.76	\$3,303,578.26
<b>Total</b>	<b>\$32,510,000.00</b>	<b>\$6,971,700.00</b>	<b>\$25,538,300.00</b>

\* Allocation based on ERU benefit allocation in Table 4

Table 6

## Rye Ranch

### Community Development District

#### Pod A 2023 Project Area Bond Assessments Apportionment

Product Type	Total Number of Units	Total Cost Allocation*	Total Series 2023 Bond Assessments Apportionment	Series 2023 Bond Assessments Apportionment per Unit	Annual Principal and Interest Payment per Unit on the Bonds	Annual Series 2023 Bond Assessments Payment**
37.5' Villas	44	\$527,674.54	\$650,917.43	\$14,793.58	\$1,162.50	\$1,250.00
SF 40'	102	\$1,304,795.23	\$1,609,541.28	\$15,779.82	\$1,240.00	\$1,333.33
SF 50'	265	\$4,237,386.47	\$5,227,064.22	\$19,724.77	\$1,550.00	\$1,666.67
SF 60'	47	\$901,843.76	\$1,112,477.06	\$23,669.72	\$1,860.00	\$2,000.00
<b>Total</b>	<b>458</b>	<b>\$6,971,700.00</b>	<b>\$8,600,000.00</b>			

\* Please note that cost allocations to units herein are based on the ERU benefit allocation illustrated in Table 4

\*\* Includes county collection costs estimated at 3% (subject to change) and an early collection discount allowance estimated at 4% (subject to change)

## **Exhibit “A”**

Series 2023 Bond Assessments in the estimated amount of \$8,600,000\* are proposed to be levied uniformly over the area described below:

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\* Preliminary, subject to change.

LEGAL DESCRIPTION - A1

A PARCEL OF LAND BEING A PORTION OF SECTIONS 12 AND 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 2095.10 FEET TO THE POINT OF BEGINNING. THENCE CONTINUE ALONG SAID EAST LINE, S00°29'55"W A DISTANCE OF 580.95 FEET TO THE NORTHEAST CORNER OF THE NORTHEAST QUARTER OF SECTION 13, TOWNSHIP 34 SOUTH, RANGE 19 EAST; THENCE S00°42'19"W, ALONG THE EAST LINE OF SAID NORTHEAST QUARTER, A DISTANCE OF 2632.63 FEET TO THE SOUTHEAST CORNER OF SAID NORTHEAST QUARTER; THENCE S65°59'13"W A DISTANCE OF 1377.15 FEET; THENCE N88°25'52"W A DISTANCE OF 1483.77 FEET; THENCE N02°26'22"E A DISTANCE OF 1744.56 FEET; THENCE S50°35'20"W A DISTANCE OF 538.86 FEET; THENCE S57°46'55"W A DISTANCE OF 423.69 FEET; THENCE S02°26'22"W A DISTANCE OF 1091.72 FEET; THENCE N88°23'59"W A DISTANCE OF 880.94 FEET; THENCE N00°54'56"E A DISTANCE OF 198.67 FEET; THENCE N04°39'49"W A DISTANCE OF 175.46 FEET; THENCE N16°37'11"W A DISTANCE OF 215.60 FEET; THENCE N17°55'47"W A DISTANCE OF 368.23 FEET; THENCE N14°48'39"W A DISTANCE OF 513.12 FEET; THENCE N12°47'16"W A DISTANCE OF 1954.26 FEET; THENCE N66°49'36"E A DISTANCE OF 66.71 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 49°25'45" AND AN ARC LENGTH OF 25.88 FEET TO A POINT OF TANGENCY; THENCE N17°23'52"E A DISTANCE OF 27.12 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 70°17'43" AND AN ARC LENGTH OF 36.81 FEET TO A POINT OF TANGENCY; THENCE N52°53'51"W A DISTANCE OF 56.70 FEET; THENCE N17°27'57"E A DISTANCE OF 109.88 FEET; THENCE N13°30'18"W A DISTANCE OF 51.37 FEET; THENCE N43°06'22"E A DISTANCE OF 243.87 FEET; THENCE N00°00'38"E A DISTANCE OF 94.46 FEET; THENCE N47°53'50"E A DISTANCE OF 226.61 FEET; THENCE N33°40'58"E A DISTANCE OF 98.64 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 30.00 FEET, A CENTRAL ANGLE OF 2°11'15" AND AN ARC LENGTH OF 1.15 FEET TO A POINT OF TANGENCY; THENCE N35°52'13"E A DISTANCE OF 133.53 FEET; THENCE S73°58'21"E A DISTANCE OF 100.62 FEET; THENCE S27°03'56"E A DISTANCE OF 60.92 FEET; THENCE S70°27'51"E A DISTANCE OF 178.40 FEET; THENCE S79°33'34"E A DISTANCE OF 115.72 FEET; THENCE N 68°17'14" E A DISTANCE OF 221.53 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N84°58'12"E, HAVING A RADIUS OF 1310.00 FEET, A CENTRAL ANGLE OF 1°54'37" AND AN ARC LENGTH OF 43.67 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 17°42'05" AND AN ARC LENGTH OF 105.04 FEET TO A POINT OF TANGENCY; THENCE N20°49'17"W A DISTANCE OF 312.96 FEET; THENCE N66°32'45"E A DISTANCE OF 11.89 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1408.00 FEET, A CENTRAL ANGLE OF 27°02'34" AND AN ARC LENGTH OF 664.56 FEET TO A POINT OF TANGENCY; THENCE S86°24'41"E A DISTANCE OF 320.87 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 26°07'36" AND AN ARC LENGTH OF 520.75 FEET; THENCE S74°32'42"E A DISTANCE OF 107.90 FEET;

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THENCE S30°55'08"E A DISTANCE OF 349.51 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 355.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 71.12 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 645.00 FEET, A CENTRAL ANGLE OF 11°28'42" AND AN ARC LENGTH OF 129.22 FEET TO A POINT OF TANGENCY; THENCE S30°55'08"E A DISTANCE OF 487.19 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 5°35'05" AND AN ARC LENGTH OF 92.30 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S74°49'37"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N40°37'36"E, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 31°43'44" AND AN ARC LENGTH OF 524.42 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N60°34'27"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 116°13'22" AND AN ARC LENGTH OF 253.56 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N03°58'19"W, HAVING A RADIUS OF 947.00 FEET, A CENTRAL ANGLE OF 21°52'33" AND AN ARC LENGTH OF 361.57 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 1178.00 FEET, A CENTRAL ANGLE OF 25°17'05" AND AN ARC LENGTH OF 519.85 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N55°12'57"E, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°32'49" AND AN ARC LENGTH OF 238.99 FEET; THENCE S89°30'03"E A DISTANCE OF 86.30 FEET TO THE POINT OF BEGINNING.

#### LEGAL DESCRIPTION - A2

A PARCEL OF LAND BEING A PORTION OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA. BEING DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 34 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, THENCE S00°29'55"W, ALONG THE EAST LINE OF SAID SOUTHEAST QUARTER, A DISTANCE OF 1951.10 FEET; THENCE LEAVING SAID EAST LINE, N89°30'03"W A DISTANCE OF 86.30 FEET TO A POINT OF NON-TANGENT CURVE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S55°19'47"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 109°45'51" AND AN ARC LENGTH OF 239.47 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S00°27'34"E, HAVING A RADIUS OF 1322.00 FEET, A CENTRAL ANGLE OF 25°23'19" AND AN ARC LENGTH OF 585.80 FEET TO A POINT OF REVERSE CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 21°19'19" AND AN ARC LENGTH OF 298.83 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS S53°52'26"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N09°27'06"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 30°37'16" AND AN ARC LENGTH OF 429.16 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N81°31'39"W, HAVING A RADIUS OF 125.00 FEET, A CENTRAL ANGLE OF 102°49'19" AND AN ARC LENGTH

OF 224.32 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT WHOSE RADIUS POINT BEARS N54°03'02"E, HAVING A RADIUS OF 803.00 FEET, A CENTRAL ANGLE OF 5°01'51" AND AN ARC LENGTH OF 70.51 FEET TO A POINT OF TANGENCY; THENCE N30°55'08"W A DISTANCE OF 623.44 FEET TO A POINT OF CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, HAVING A RADIUS OF 195.00 FEET, A CENTRAL ANGLE OF 26°10'37" AND AN ARC LENGTH OF 89.09 FEET; THENCE N30°55'08"W A DISTANCE OF 326.23 FEET; THENCE N12°42'26"E A DISTANCE OF 107.90 FEET TO A POINT OF NON-TANGENT CURVATURE; THENCE ALONG THE ARC OF A CURVE TO THE LEFT WHOSE RADIUS POINT BEARS N39°17'59"W, HAVING A RADIUS OF 1142.00 FEET, A CENTRAL ANGLE OF 50°12'07" AND AN ARC LENGTH OF 1000.61 FEET TO A POINT OF TANGENCY; THENCE N00°29'55"E A DISTANCE OF 670.82 FEET; THENCE S89°30'05"E A DISTANCE OF 1986.00 FEET TO THE EAST LINE OF THE NORTHEAST QUARTER OF SAID SECTION 12; THENCE S00°29'55"W, ALONG SAID EAST LINE, A DISTANCE OF 760.57 FEET; TO THE POINT OF BEGINNING.

## **APPENDIX E**

### **PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT**

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## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of [\_\_\_\_], 2023 is executed and delivered by the Rye Ranch Community Development District (the "Issuer" or the "District"), SK Rye Road LLC, a Delaware limited liability company (the "Pod A Developer"), and Wrathell, Hunt & Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2023 (Pod A 2023 Project Area) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of September 1, 2023 (the "Master Indenture") and a Second Supplemental Trust Indenture dated as of October 1, 2023 (the "Second Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer 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"). The Issuer, the Pod A Developer and the Dissemination Agent, on behalf of themselves and their respective successors and assignees and set forth herein, covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Pod A 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 or the Limited Offering Memorandum, as applicable. 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.

"Assessment Area" shall mean that portion of the District lands subject to the Assessments, being more particularly described as the Pod A 2023 Project Area in the Limited Offering Memorandum.

"Assessments" shall mean the non-ad valorem Pod A 2023 Special Assessments pledged to the payment of the Bonds pursuant to the Indenture.

"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)(B) 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.

"Bond Year" means the annual period beginning on the second day of November of each year and ending on the first day of November of the following year.

"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. Wrathell, Hunt & Associates, LLC has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean Wrathell, Hunt & Associates, 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 the 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 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the Issuer, and any successor in interest, and for the purposes of this Disclosure Agreement, the Pod A Developer for so long as the Pod A 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.

"Participating Underwriter" shall mean FMSbonds, Inc.

"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, 2024.

"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, or shall cause the Dissemination Agent to, provide to any Repository an Annual Report consistent with the requirements of Section 4(a) of this Disclosure Agreement, which shall be provided to such Repository by March 31<sup>st</sup> of each calendar year following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing March 31, 2025 with respect to the Annual Report for the Fiscal Year ending September 30, 2024. The Issuer shall file its Audited Financial Statements for the Fiscal Year ended September 30, 2023 on or before June 30, 2024. 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"). 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 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 anticipated 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 Statements 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 Annual Financial Information with respect to the Issuer for the Fiscal Year such Annual Report represents, unless otherwise stated, as follows:

(i) All fund balances in all Funds, Accounts and subaccounts for the Bonds and the total amount of Bonds Outstanding, in each case as of December 31st following the end of the most recent prior Fiscal Year.

(ii) The method by which Assessments are being certified for collection (whether on-roll or off-roll) and the Assessment amounts certified for collection by each method in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were certified for collection (whether on-roll or off-roll) and the Assessment amounts certified for collection by each method in the Assessment Area for the most recent prior Fiscal Year.

(iv) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(v) If available, the amount of delinquencies in the payment of Assessments in the 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.

(vi) If available, the amount of delinquent Assessments included in tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the Issuer.

(ix) 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 after the Annual Filing Date 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 and each Obligated Person acknowledge and agree 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), or the Pod A Developer on behalf of any other Obligated Person that fails to execute an Assignment (as hereinafter defined), 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 with respect to the Assessment Area only:

- (i) The number of lots planned.

Lot Ownership Information

- (ii) The number of lots owned by the Pod A Developer.

- (iii) The number of lots owned by the Builder.

- (iv) The number of lots owned by homebuyers.

Lot Status Information

- (v) The number of lots developed.

- (vi) The number of lots platted.

Home Sales Status Information

- (vii) The number of homes sold (but not closed) with homebuyers, during quarter.

- (viii) The number of homes sold (and closed) with homebuyers, during quarter.

- (ix) The total number of homes sold and closed with homebuyers (cumulative).

Material Changes/Transfers

(x) Material changes to any of the following: (1) builder contracts, if applicable, (2) the number of lots planned to be developed, (3) permits/approvals, and (4) existing mortgage debt of the Obligated Person or the incurrence of new mortgage debt by the Obligated Person since the date hereof.

(xi) Any sale, assignment or transfer of ownership of lands by the Obligated Person to a third party which will in turn become an Obligated Person hereunder.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in the 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 Pod A 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 Pod A 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;

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\* Not applicable to the Bonds at their date of issuance.



(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 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) Except as provided in Section 6(c), the Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events (to the extent they pertain to the Issuer) 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; provided however, that nothing here shall be constructed to mean that the Issuer is responsible for disclosing Listed Events that do not pertain to the Issuer (e.g., including but not limited to the occurrence of a Listed Event involving an Obligated Person other than the Issuer described in subsections (a)(x), (xii), (xiii), (xv), (xvi), or (xvii) above), in which case the responsibility for providing notice of such Listed Event shall be solely with the applicable Obligated Person. 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 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), (xvi), or (xvii) above 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 or another Obligated Person 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 Wrathell, Hunt & Associates, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Wrathell, Hunt & Associates, LLC. Wrathell, Hunt & Associates, LLC, may terminate its role as Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the District and each Obligated Person. The District may terminate the agreement hereunder with the Dissemination Agent at any time upon delivery of sixty (60) days prior written notice to the Dissemination Agent 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 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 may (and, 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, shall), 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, 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, 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 Pod A 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 Pod A 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 Pod A 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 Manatee 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 Manatee County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and each of which shall be considered an original and all of which shall constitute but one and the same instrument. A scanned copy of the signatures delivered in a PDF format may be relied upon as if the original had been received.

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. **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 Pod A Developer or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successors 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.

**RYE RANCH COMMUNITY DEVELOPMENT  
DISTRICT, AS ISSUER**

[SEAL]

By: \_\_\_\_\_  
Stephen J. Cerven, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
\_\_\_\_\_, Secretary

**SK RYE ROAD LLC, AS POD A DEVELOPER**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**WRATHELL, HUNT & ASSOCIATES, LLC,  
and its successors and assigns, AS  
DISSEMINATION AGENT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**WRATHELL, HUNT & ASSOCIATES,  
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: Rye Ranch Community Development District

Name of Bond Issue: \$[ ] original aggregate principal amount of Special  
Assessment Bonds, Series 2023 (Pod A 2023 Project Area)

Obligated Person(s): Rye Ranch 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 Pod A 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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**APPENDIX F**  
**DISTRICT'S FINANCIAL STATEMENTS**

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**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
FINANCIAL STATEMENTS  
UNAUDITED  
AUGUST 31, 2023**

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
AUGUST 31, 2023**

	General Fund	Debt Service Fund (POD A)	Debt Service Fund (POD B)	Capital Projects Fund (POD A)	Capital Projects Fund (POD B)	Total Governmental Funds
<b>ASSETS</b>						
Cash	\$ 29,023	\$ -	\$ -	\$ -	\$ -	\$ 29,023
Investments						
Undeposited funds	3,709	-	-	-	-	3,709
Due from Rye Ranch, LLC.	7,901	-	4,381	-	1,133	13,415
Due from Kolter	73	-	-	-	-	73
Due from general fund	-	8,228	-	8,302	-	16,530
Total assets	<u>\$ 40,706</u>	<u>\$ 8,228</u>	<u>\$ 4,381</u>	<u>\$ 8,302</u>	<u>\$ 1,133</u>	<u>\$ 62,750</u>
<b>LIABILITIES AND FUND BALANCES</b>						
Liabilities:						
Accounts payable	\$ 18,153	\$ 8,228	\$ 4,381	\$ 8,302	\$ 1,133	\$ 40,197
Due to Rye Ranch, LLC.	-	-	13,024	-	1,133	14,157
Due to Kolter	23	20,749	-	10,668	-	31,440
Due to debt service fund - POD A	8,228	-	-	-	-	8,228
Due to capital projects fund - POD A	8,302	-	-	-	-	8,302
Landowner advance - Rye Ranch, LLC.	6,000	-	-	-	-	6,000
Total liabilities	<u>40,706</u>	<u>28,977</u>	<u>17,405</u>	<u>18,970</u>	<u>2,266</u>	<u>108,324</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Deferred revenue	7,974	-	-	-	-	7,974
Total deferred inflows of resources	<u>7,974</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,974</u>
Fund balances:						
Restricted						
Debt service	-	(20,749)	(13,024)	-	-	(33,773)
Capital projects	-	-	-	(10,668)	(1,133)	(11,801)
Unassigned	(7,974)	-	-	-	-	(7,974)
Total fund balances	<u>(7,974)</u>	<u>(20,749)</u>	<u>(13,024)</u>	<u>(10,668)</u>	<u>(1,133)</u>	<u>(53,548)</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 40,706</u>	<u>\$ 8,228</u>	<u>\$ 4,381</u>	<u>\$ 8,302</u>	<u>\$ 1,133</u>	<u>\$ 62,750</u>

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
FOR THE PERIOD ENDED AUGUST 31, 2023**

	Current Month	Year to Date	Budget	% of Budget
<b>REVENUES</b>				
Landowner contribution - Pod A	\$ 9,982	\$ 28,085	\$ 57,282	49%
Landowner contribution - Pod B	-	9,383	18,413	51%
Landowner contribution - Pod C	-	13,553	26,595	51%
Total revenues	<u>9,982</u>	<u>51,021</u>	<u>102,290</u>	50%
<b>EXPENDITURES</b>				
<b>Professional &amp; administrative</b>				
Management/accounting/recording	2,000	22,000	48,000	46%
Legal	-	18,922	25,000	76%
Engineering	-	-	2,000	0%
Audit	-	-	5,500	0%
Arbitrage rebate calculation*	-	-	500	0%
Dissemination agent*	-	-	1,000	0%
Trustee***	-	-	5,500	0%
Telephone	17	183	200	92%
Postage	14	15	500	3%
Printing & binding	42	458	500	92%
Legal advertising	1,109	1,109	6,500	17%
Annual special district fee	-	175	175	100%
Insurance	-	5,000	5,500	91%
Contingencies/bank charges	-	-	500	0%
Website				
Hosting & maintenance	-	1,680	705	238%
ADA compliance	-	210	210	100%
Total professional & administrative	<u>3,182</u>	<u>49,752</u>	<u>102,290</u>	49%
Excess/(deficiency) of revenues over/(under) expenditures	6,800	1,269	-	
Fund balances - beginning	(14,774)	(9,243)	-	
Fund balances - ending	<u>\$ (7,974)</u>	<u>\$ (7,974)</u>	<u>\$ -</u>	

\*This expense will be realized the year after the issuance of bonds.

\*\*\*This expense is paid from the costs of issuance in the initial year. Thereafter, this will be a budgeted expense.

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND (POD A)  
FOR THE PERIOD ENDED AUGUST 31, 2023**

	Current Month	Year To Date
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
 <b>EXPENDITURES</b>		
Cost of issuance	<u>2,000</u>	<u>17,090</u>
Total expenditures	<u>2,000</u>	<u>17,090</u>
 Excess/(deficiency) of revenues over/(under) expenditures	 (2,000)	 (17,090)
 Fund balances - beginning	 (18,749)	 (3,659)
Fund balances - ending	<u><u>\$ (20,749)</u></u>	<u><u>\$ (20,749)</u></u>

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
DEBT SERVICE FUND (POD B)  
FOR THE PERIOD ENDED AUGUST 31, 2023**

	Current Month	Year To Date
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
 <b>EXPENDITURES</b>		
Cost of issuance	<u>1,179</u>	<u>13,024</u>
Total expenditures	<u>1,179</u>	<u>13,024</u>
 Excess/(deficiency) of revenues over/(under) expenditures	 (1,179)	 (13,024)
 Fund balances - beginning	 (11,845)	 -
Fund balances - ending	<u><u>\$ (13,024)</u></u>	<u><u>\$ (13,024)</u></u>

**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND (POD A)  
FOR THE PERIOD ENDED AUGUST 31, 2023**

	Current Month	Year To Date
<b>REVENUES</b>	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
 <b>EXPENDITURES</b>		
Construction costs	<u>-</u>	<u>10,668</u>
Total expenditures	<u>-</u>	<u>10,668</u>
 Excess/(deficiency) of revenues over/(under) expenditures	 - -	  (10,668)
 Fund balances - beginning	 <u>(10,668)</u>	 <u>-</u>
Fund balances - ending	<u><u>\$ (10,668)</u></u>	<u><u>\$ (10,668)</u></u>



**RYE RANCH  
COMMUNITY DEVELOPMENT DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
CAPITAL PROJECTS FUND (POD B)  
FOR THE PERIOD ENDED AUGUST 31, 2023**

	Current Month	Year to Date
<b>REVENUES</b>	\$ -	\$ -
Total revenues	-	-
<b>EXPENDITURES</b>		
Construction costs	-	1,133
Total expenditures	-	1,133
Net increase/(decrease), fund balance	(1,133)	(1,133)
Beginning fund balance	-	-
Ending fund balance	\$ (1,133)	\$ (1,133)

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