

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED OCTOBER 30, 2023

NEW ISSUES - BOOK-ENTRY ONLY LIMITED OFFERING

NOT RATED

In the opinion of Bond Counsel, assuming compliance with existing statutes, regulations, published rulings and court decisions, and assuming continuing compliance by the District with the tax covenants set forth in the Indenture, and the accuracy of certain representations included in the closing transcript for the 2023A Bonds, interest on the 2023A Bonds is, under Section 103 of the Code, excludable from gross income for federal income tax purposes and is not a specific preference item for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the adjusted financial statement income of applicable corporations for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the 2023A Bonds. Bond Counsel is further of the opinion that, pursuant to the Act, the 2023A Bonds and the interest thereon are exempt from 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.

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT (LEE COUNTY, FLORIDA)

\$8,100,000*

CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2023A (ASSESSMENT AREA 4)

Dated: Date of Delivery

Due: As set forth herein.

The River Hall Community Development District Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4) (the "2023A Bonds") are being issued by the River Hall Community Development District (the "District" or "Issuer"), which is located in Lee County, Florida (the "County"), 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, established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005, as amended by Rule 42YY-1.002 effective on July 20, 2006. The District was established 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 2023A 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 2023A 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 2023A Bonds will be made only in book-entry form. Accordingly, principal of and interest on the 2023A Bonds will be paid from sources described below by U.S. Bank Trust Company, National Association, Fort Lauderdale, 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 2023A 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 2023A Bond. See "DESCRIPTION OF THE 2023A BONDS – Book-Entry Only System" herein.

The 2023A Bonds are being issued by the District pursuant to the Act, Resolution No. 2005-18 adopted by the Board of Supervisors of the District (the "Board") on June 17, 2005, as supplemented by Resolution 2023-06 adopted by the Board on April 6, 2023 (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of October 1, 2005 (the "Master Indenture") by and between the District and the Trustee as successor in trust to Wachovia Bank, N.A., as amended and supplemented with respect to the 2023A Bonds by a Fifth Supplemental Trust Indenture dated as of November 1, 2023 (the "Fifth Supplemental Indenture") and, together with the Master Indenture, the "Indenture"), 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 2023A Bonds will be used for the purposes of providing funds to: (i) finance a portion of the Cost of acquisition, construction, installation and equipping of a portion of the 2023A Project (as defined herein); (ii) pay a portion of the interest coming due on the 2023A Bonds, (iii) pay certain costs associated with the issuance of the 2023A Bonds; and (iv) fund the 2023A Reserve Account as provided in the Indenture. See "THE CAPITAL IMPROVEMENT PLAN AND THE 2023A PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The 2023A Bonds will be secured by a pledge of the 2023A Pledged Revenues. "2023A Pledged Revenues" shall mean all revenues received by the District from the 2023A Assessments (as defined herein), including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such 2023A Assessments or from the issuance and sale of tax certificates with respect to such 2023A Assessments; provided, however, that 2023A Pledged Revenues shall not include (A) any moneys transferred to the 2023A Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special 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) and (B) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS" herein.

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

NEITHER THE 2023A BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA (THE "STATE"). THE 2023A BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE AUTHORIZING THE ISSUANCE OF THE 2023A BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2023A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2023A BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2023A PLEDGED REVENUES AND THE 2023A PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE 2023A BONDS, ALL AS PROVIDED IN THE INDENTURE.

The 2023A 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 transfer in any secondary market for the 2023A Bonds. The 2023A Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the 2023A Bonds.

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

MATURITY SCHEDULE

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

The initial sale of the 2023A Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Akerman LLP, Jacksonville, Florida, Bond Counsel, as to the validity of the 2023A 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, Coleman, Yovanovich & Koester, P.A., Naples, Florida, for the Landowners (as hereinafter defined) by their general counsel, Patricia Nolan, Esq., Jacksonville, Florida, and for the Underwriter by its counsel, GrayRobinson, P.A., Tampa, Florida. It is expected that the 2023A 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 2023A 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.

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

BOARD OF SUPERVISORS

Kenneth D. Mitchell, Chair
Robert D. Stark, Vice Chair
Paul D. Asfour, Assistant Secretary
Michal G. Morash, Assistant Secretary
Daniel J. Block, Assistant Secretary

DISTRICT MANAGER/METHODOLOGY CONSULTANT

Wrathell, Hunt & Associates, LLC
Boca Raton, Florida

DISTRICT COUNSEL

Coleman, Yovanovich & Koester, P.A.
Naples, Florida

BOND COUNSEL

Akerman LLP
Jacksonville, Florida

PROJECT ENGINEER

Barraco and Associates, Inc.
Fort Myers, 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 2023A BONDS, AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE 2023A 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 LANDOWNERS (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 OR THE LANDOWNERS OR IN THE STATUS OF THE DEVELOPMENT, ASSESSMENT AREA 4 OR THE 2023A PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE 2023A 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 2023A 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 2023A 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 LANDOWNERS' CONTROL. BECAUSE THE DISTRICT

AND THE LANDOWNERS 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 LANDOWNERS DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF THEIR 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 AND 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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**RIVER HALL COMMUNITY DEVELOPMENT DISTRICT
(LEE COUNTY, FLORIDA)**

\$8,100,000*
CAPITAL IMPROVEMENT REVENUE BONDS,
SERIES 2023A (ASSESSMENT AREA 4)

INTRODUCTION

The purpose of this Limited Offering Memorandum is to set forth certain information in connection with the offering for sale by the River Hall Community Development District (the "District" or "Issuer") of its \$8,100,000* Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4) (the "2023A Bonds").

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

The District was established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005, as amended by Rule 42YY-1.002, effective July 20, 2006. The District was established for the purpose of delivering certain community development services and facilities for the benefit of the 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, water supply, sewer and wastewater management, bridges or culverts, public roads, street lights and other basic infrastructure projects within or without the boundaries of the District as provided in the Act.

The boundaries of the District include approximately 1,958 gross acres of land (the "District Lands") located approximately one-half mile south of Palm Beach Boulevard (State Road 80) and six miles east of Buckingham Road and Interstate 75, in an unincorporated portion of Lee County, Florida (the "County"). The District Lands are being developed as part of an approximately 1,978-acre residential development known as "River Hall" (the "Development"). At buildout, the Development is planned to include approximately 2,695 residential units. See "THE DEVELOPMENT" herein.

The District previously issued its 2005 Bonds (as defined herein) to fund a portion of the cost of its original capital improvement plan (the "Original CIP"). The Original CIP in Phases I and II is complete,

* Preliminary, subject to change.

and portions of the Original CIP for Phases III and IV have been installed, with construction ongoing. See "THE CAPITAL IMPROVEMENT PLAN AND 2023A PROJECT" herein. The 2005 Bonds were restructured into the 2011A-1 Bonds and the 2011A-2 Bonds, which were subsequently refunded by the District's 2021A-1 Bonds and 2021A-2 Bonds (each as defined herein). In addition, the District previously issued its 2020 Bonds (as defined herein) to finance additional public infrastructure improvements associated with the development of "Assessment Area 3" within the District. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" herein.

The 2023A Bonds are funding the costs associated with "Assessment Area 4," which is planned for 311 residential lots within: (i) Hampton Lakes Phase 4, which is planned to contain 195 single-family lots, and (ii) River Hall Country Club Parcels C, H, Z, and K2, which are collectively planned to contain a total of 116 single-family lots. Net proceeds of the 2023A Bonds will finance a portion of certain public infrastructure improvements, including without limitation, onsite and offsite improvements, surface water management system, sanitary sewer system, water distribution system, and related professional fees relating to the development of Assessment Area 4 (the "2023A Project"). See "THE CAPITAL IMPROVEMENT PLAN AND THE 2023A PROJECT" herein for more information.

Proceeds of the 2023A Bonds will be used for the purposes of providing funds to: (i) finance a portion of the Cost of acquisition, construction, installation and equipping of a portion of the 2023A Project; (ii) pay a portion of the interest coming due on the 2023A Bonds; (iii) pay certain costs associated with the issuance of the 2023A Bonds; and (iv) fund the 2023A Reserve Account as provided in the Indenture (as defined herein). See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The 2023A Bonds are payable from and secured solely by the 2023A Pledged Revenues, which consist primarily of revenues received by the District from the 2023A Assessments (as defined herein). The 2023A Assessments will initially be levied over all of Assessment Area 4, which consists of approximately 129 gross acres planned for 311 residential lots. As the land within Assessment Area 4 is platted, the 2023A Assessments will be assigned to the platted lots therein in accordance with the Assessment Methodology. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS" and "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto.

All of the lands within Assessment Area 4 are owned by RH Venture II, LLC, a Florida limited liability company, and RH Venture III, LLC, a Florida limited liability company (the "Landowners"). See "THE LANDOWNERS" herein for more information regarding the Landowners. The Landowners have entered into contracts with (i) Lennar Homes (as defined herein) for the purchase of 173 developed lots in Assessment Area 4 in a series of takedowns and (ii) Pulte (as defined herein) for the purchase of the remaining 138 lots within Assessment Area 4 in a series of takedowns. See "THE DEVELOPMENT – Builder Contracts" herein for more information.

The 2023A Bonds are being issued by the District pursuant to the Act, Resolution No. 2005-18 adopted by the Board of Supervisors of the District (the "Board") on June 17, 2005, as supplemented by Resolution 2023-06 adopted by the Board on April 6, 2023 (collectively, the "Bond Resolution"), and a Master Trust Indenture dated as of October 1, 2005 (the "Master Indenture"), by and between the District and U.S. Bank Trust Company, National Association (the "Trustee"), as successor in interest to Wachovia Bank, N.A., as amended and supplemented with respect to the 2023A Bonds by a Fifth Supplemental Trust Indenture dated as of November 1, 2023 (the "Fifth Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), 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" attached hereto.

The 2023A Bonds will be secured by a pledge of the 2023A Pledged Revenues. "2023A Pledged Revenues" shall mean all revenues received by the District from the 2023A Assessments, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such 2023A Assessments or from the issuance and sale of tax certificates with respect to such 2023A Assessments; provided, however, that 2023A Pledged Revenues shall not include (A) any moneys transferred to the 2023A Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special 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) and (B) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS" herein.

There follows in this Limited Offering Memorandum a brief description of the District, the Landowners, the Development, the 2023A Project, Assessment Area 4 and summaries of the terms of the 2023A 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 2023A Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Fifth 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 2023A BONDS

General Description

The 2023A Bonds are issuable only as fully registered bonds, without coupons, in the denominations of \$5,000 and any integral multiple thereof except as otherwise provided in the Indenture. The 2023A 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.

The 2023A Bonds shall be dated the date of delivery. Interest on the 2023A 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. Each 2023A Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2023A Bond has been paid, in which event such 2023A Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2023A Bonds, in which event, such 2023A Bond shall bear interest from its date. Interest on the 2023A Bonds will be computed in all cases on the basis of a 360 day year consisting of twelve 30-day months.

Upon initial issuance, the ownership of the 2023A Bonds will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") of New York, New York, and purchases of beneficial interests in the 2023A Bonds will be made in book-entry only form. As long as the 2023A Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes under 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 2023A Bonds ("Beneficial

Owners"). Principal and interest on the 2023A 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 District. Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated 2023A Bonds, through Direct Participants and Indirect Participants. During the period for which Cede & Co. is registered owner of the 2023A 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, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time 2023A Bonds may be exchanged for an equal aggregate principal amount of 2023A Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "– Book-Entry Only System" below.

The 2023A Bonds will initially be sold only to "accredited investors" within the meaning under Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder, although there is no limitation on resales of the 2023A Bonds. See "SUITABILITY FOR INVESTMENT" below.

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

Redemption Provisions

Optional Redemption

The 2023A Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20____ (less than all 2023A Bonds to be selected by lot), at the Redemption Price of equal to the par amount thereof, together with accrued interest to the date of redemption.

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Mandatory Sinking Fund Redemption

The 2023A Bonds maturing on May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Fifth Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
---	---

*

* Maturity.

The 2023A Bonds maturing on May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Fifth Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
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*

* Maturity.

[Remainder of page intentionally left blank.]

The 2023A Bonds maturing on May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Fifth Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
---	---

*

* Maturity.

The 2023A Bonds maturing on May 1, 20__, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Fifth Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u> <u>(May 1)</u>	<u>Principal</u> <u>Amount</u>
---	---

*

* Maturity.

Upon any redemption of 2023A Bonds (other than 2023A Bonds redeemed in accordance with scheduled Amortization Installments) and upon any cancellation of 2023A Bonds upon surrender to the Trustee (including any surrender pursuant to the Fifth Supplemental Indenture), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so as to amortize the Outstanding 2023A Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the 2023A Bonds.

Extraordinary Mandatory Redemption

The 2023A Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any February 1, May 1, August 1 or November 1, in the manner determined by the Bond Registrar, at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

(a) from 2023A Prepayment Principal (as defined in the Indenture) deposited into the 2023A Prepayment Subaccount of the 2023A Redemption Account;

(b) on or after the Completion Date of the 2023A Project, by application of moneys remaining in the 2023A Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the District for the payment of any remaining part of the Cost of the 2023A Project, all of which shall be transferred to the 2023A Redemption Account of the Debt Service Fund and credited toward extinguishment of the 2023A Assessments and applied toward the redemption of the 2023A Bonds, in accordance with the manner it has credited such excess moneys toward extinguishment of 2023A Assessments, which the District shall describe to the Trustee in writing; or

(c) from amounts transferred to the 2023A Prepayment Subaccount of the 2023A Redemption Account resulting from a reduction in the 2023A Reserve Account Requirement as provided for in the Indenture, and, on the date on which the amount on deposit in the 2023A Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the 2023A Bonds then Outstanding, including accrued interest thereon.

If less than all of the 2023A Bonds shall be called for redemption, the particular 2023A Bonds or portion of 2023A Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Indenture.

Notice of Redemption and of Purchase

When required to redeem or purchase 2023A 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 given by the Bond Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption by first-class mail, postage prepaid, to any Paying Agent for the 2023A Bonds to be redeemed and to the registered Owner of each 2023A Bond to be redeemed, at the address of such registered Owner, 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 2023A Bonds for which notice was duly mailed in accordance with the Indenture.

Purchase of 2023A Bonds

The District may purchase a 2023A Bond in the open market at a price no higher than the highest redemption price (including premium, if any) for the 2023A Bond to be so purchased with any funds legally available therefor and any such 2023A Bonds so purchased shall be credited to the amounts otherwise required to be deposited for the payment of 2023A Bonds as provided in the Indenture.

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 2023A Bonds. The 2023A 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 2023A Bond certificate will be issued for each maturity of the 2023A 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.

Purchases of 2023A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2023A Bonds on DTC's records. The ownership interest of each actual purchaser of each 2023A 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 2023A 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 2023A Bonds, except in the event that use of the book-entry system for the 2023A Bonds is discontinued.

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2023A 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 2023A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the 2023A 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 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 2023A 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, 2023A 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, 2023A Bond certificates will be printed and delivered to DTC.

SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS

General

NEITHER THE 2023A BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA (THE "STATE"). THE 2023A BONDS AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE AUTHORIZING THE ISSUANCE OF THE 2023A BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2023A

BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2023A BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2023A PLEDGED REVENUES AND THE 2023A PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE 2023A BONDS, ALL AS PROVIDED IN THE INDENTURE.

The 2023A Bonds will be secured by a pledge of the 2023A Pledged Revenues. "2023A Pledged Revenues" shall mean all revenues received by the District from the 2023A Assessments, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such 2023A Assessments or from the issuance and sale of tax certificates with respect to such 2023A Assessments; provided, however, that 2023A Pledged Revenues shall not include (A) any moneys transferred to the 2023A Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special 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) and (B) of this proviso)..

The "2023A Assessments" consist of the non-ad valorem special assessments levied in an amount corresponding to the debt service on the 2023A Bonds against the lands within Assessment Area 4 specially benefited by the 2023A Project or any portion thereof, pursuant to Section 190.022 of the Act, and the Assessment Resolutions (as defined in the Indenture) and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"), all as more specifically provided herein. Non-ad valorem assessments are not based on millage and are not taxes, but are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. The 2023A Assessments will constitute a lien against the lands as to which the 2023A Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the 2023A Assessments to the assessable lands within Assessment Area 4, is included as APPENDIX D attached hereto.

In the Master Indenture, the District has covenanted that, if any Assessment (including the 2023A Assessments) 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 Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new 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 Assessment from any legally available moneys, which moneys shall be deposited into the Series Account in the Revenue Fund. In case such second Assessment shall be annulled, the District shall obtain and make other Assessments until a valid Assessment shall be made.

Prepayment of 2023A Assessments

Pursuant to the Assessment Proceedings, an owner of property subject to the 2023A Assessments may prepay the 2023A Assessments, in part or in full, including interest amounts to the next succeeding Quarterly Redemption Date or to the second succeeding Quarterly Redemption Date if such a prepayment is made within forty-five (45) calendar days before a Quarterly Redemption Date. Prepayment of the 2023A Assessments does not entitle the property owner to any discounts for early payment.

Pursuant to the Act, an owner of property subject to the levy of 2023A Assessments may pay the entire balance of the 2023A Assessments remaining due, without interest, within thirty (30) days after the

2023A Project has been completed or acquired by the District, and the Board has adopted a resolution accepting the 2023A Project pursuant to Chapter 170.09, Florida Statutes. The Landowners, as the sole owners of the property within Assessment Area 4, will waive this right on behalf of themselves and their successors and assigns in connection with the issuance of the 2023A Bonds. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

The 2023A Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE 2023A BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional prepayments of 2023A Assessments by property owners.

Covenant Against Sale or Encumbrance

In the Master Indenture, the District has covenanted that (a) except for those improvements comprising the 2023A Project that are to be conveyed by the District to the County, the State Department of Transportation or another governmental entity, as to which no assessments of the District will be imposed and (b) except as otherwise permitted in the Indenture, it will not sell, lease or otherwise dispose of or encumber the 2023A Project or any part thereof. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" attached hereto for more information.

Additional Obligations

Other than Bonds issued to refund a portion of Outstanding 2023A Bonds, the issuance of which as determined by the District results in present value debt service savings, the District shall not issue or incur any debt payable in whole or in part from the 2023A Pledged Revenues other than the 2023A Bonds. So long as there are any 2023A Bonds Outstanding, the District shall not issue any Bonds or other debt obligations (the "Additional Bonds"), secured by Assessments on any parcels within Assessment Area 4 until at least seventy-five percent (75%) of the principal amount of the 2023A Assessments have been allocated to tax parcels with respect to which a certificate of occupancy has been issued for a structure thereon. The provisions of the immediately preceding sentence shall not apply to any Bonds or other debt obligations secured by Assessments on properties other than Assessment Area 4. Further, notwithstanding such restriction, the District may issue Bonds secured by Assessments on lands in Assessment Area 4 for the health, safety, welfare or repairs. Prior to the delivery of any such Additional Bonds or other debt obligations, the District will deliver a written certificate from the District Manager to the Trustee on which it may conclusively rely that all of the applicable conditions set forth above have been met.

The District (subject to the limitations described in the preceding paragraph) and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the 2023A Assessments without the consent of the Owners of the 2023A Bonds. The District imposes certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the 2023A Assessments, on the same lands upon which the 2023A Assessments are imposed to fund maintenance and operation costs of the District. See also "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

Acquisition and Construction Account

The Fifth Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "2023A Acquisition and Construction Account." Amounts deposited to the 2023A Acquisition and Construction Account shall be applied to Costs of the 2023A Project in accordance with the Master Indenture and the Fifth Supplemental Indenture.

The District shall not declare that the Date of Completion of the 2023A Project has occurred until after the Release Conditions (as defined herein) have been satisfied, and all moneys transferred from the 2023A Reserve Account to the 2023A Acquisition and Construction Account have been expended or the Consulting Engineer has certified in writing to the District and the Trustee that such amount is in excess of what is needed to complete the 2023A Project. The Trustee shall have no obligation to inquire if Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Release Conditions have not occurred. See "–Reserve Account" herein for more information regarding the Release Conditions.

Reserve Account

The Fifth Supplemental Indenture establishes a 2023A Reserve Account within the Debt Service Reserve Fund for the 2023A Bonds. The 2023A Reserve Account will, at the time of delivery of the 2023A Bonds, be funded from a portion of the net proceeds of the 2023A Bonds in the amount of the 2023A Reserve Account Requirement for the 2023A Bonds.

The "2023A Reserve Account Requirement" shall mean (i) initially an amount equal to the maximum annual debt service on the 2023A Bonds as calculated from time to time; (ii) upon the occurrence of the Condition #1 for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the 2023A Bonds as calculated from time to time; and (iii) upon the occurrence of the Condition #2 for Reduction of Reserve Requirement, ten percent (10%) of the maximum annual debt service on the 2023A Bonds as calculated from time to time. Upon satisfaction of Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, such excess amount shall be released from the 2023A Reserve Account and transferred to the General Subaccount within the 2023A Acquisition and Construction Account in accordance with the provisions of the Indenture. For the purpose of calculating the 2023A 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 be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the 2023A Bonds from 2023A Prepayment Principal as set forth in the Indenture (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the 2023A Reserve Account and transferred to the 2023A Prepayment Subaccount in accordance with the provisions of the Indenture. Amounts on deposit in the 2023A Reserve Account may, upon final maturity or redemption of all Outstanding 2023A Bonds, be used to pay principal of and interest on the 2023A Bonds at that time. The 2023A Reserve Account Requirement is initially \$_____.

"Condition #1 for Reduction of Reserve Requirement" with respect to the 2023A Bonds shall mean collectively (i) all lots subject to the 2023A Assessments have been developed, platted and conveyed to homebuilders, as certified by the District Manager, and (ii) there shall be no Events of Default under the Indenture with respect to the 2023A Bonds, as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of the 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 2023A Bonds shall mean collectively (i) all of the principal portion of the 2023A Assessments has been assigned to residential units that have been constructed and each have received certificates of occupancy, and (ii) there shall be no Events of Default under the Indenture with respect to the 2023A 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 the 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.

Except as otherwise provided in the Indenture, amounts on deposit in the 2023A Reserve Account shall be used only for the purpose of making payments into the 2023A Interest Account, the 2023A Principal Account and the 2023A Sinking Fund Account to pay Debt Service on the 2023A Bonds, when due, without privilege or priority of one 2023A Bond over another, to the extent the moneys on deposit in such Accounts and available therefor are insufficient and for no other purpose. Such Account shall consist only of cash and 2023A Investment Obligations. The 2023A Reserve Account is held solely for the benefit of, and as security for, the 2023A Bonds and amounts therein shall not be available or be used for the purpose of making any payments with respect to any other Bonds.

On each December 15, March 15, June 15 and September 15 (or, if such date is not a Business Day, on the Business Day preceding such day), the Trustee shall determine the amount on deposit in the 2023A Reserve Account and transfer any excess therein above the 2023A Reserve Account Requirement (other than as a result of optional prepayment of a 2023A Assessment which shall be applied as provided in the Fifth Supplemental Indenture or as a result of investment earnings which shall be deposited into the 2023A Revenue Account as required by the Master Indenture), to the 2023A Prepayment Subaccount of the 2023A Redemption Account for the extraordinary mandatory redemption of 2023A Bonds.

On each December 15, March 15, June 15 and September 15 (or, if such date is not a Business Day, on the Business Day preceding such day), in the event that the amount of proceeds of the 2023A Bonds on deposit in the 2023A Reserve Account exceeds the 2023A Reserve Account Requirement due to a decrease in the amount of 2023A Bonds that will be outstanding as a result of an optional prepayment by the owner of a lot or parcel of land of a 2023A Assessment against such lot or parcel, such excess shall be transferred to the 2023A Prepayment Subaccount of the 2023A Redemption Account (and the District shall include such excess as a credit against the 2023A Prepayment Principal otherwise required to be made by the owner of such lot or parcel) to be used for the extraordinary mandatory redemption of 2023A Bonds.

On the date of prepayment of a 2023A Assessment by cancellation of 2023A Bonds pursuant to the Fifth Supplemental Indenture, in the event that the amount on deposit in the 2023A Reserve Account exceeds the 2023A Reserve Account Requirement due to a decrease in the amount of 2023A Bonds that will be outstanding as a result of such prepayment by such 2023A Assessment, such excess shall be transferred to the 2023A Prepayment Account of the 2023A Redemption Account (and the District shall include such excess as a credit against the 2023A Prepayment Principal otherwise required to be made by the owner of such lot or parcel) to be used for the extraordinary mandatory redemption of 2023A Bonds.

Any excess in the 2023A Reserve Account as a result of satisfaction of the Release Conditions shall be deposited into the 2023A Acquisition and Construction Account. The District or the District Manager, on behalf of the District, shall provide written notice to the Trustee when the Release Conditions have been satisfied, upon which notice the Trustee may conclusively rely. The Trustee shall have no obligation to inquire if Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Release Conditions have not occurred.

Anything in the Indenture to the contrary notwithstanding, on the earliest date on which there is on deposit in the 2023A Reserve Account sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2023A Bonds, together with accrued interest and redemption premium, if any, on such 2023A Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the 2023A Reserve Account into the 2023A Prepayment Subaccount in the 2023A Redemption Account to pay and redeem all of the Outstanding 2023A Bonds on the earliest date permitted for redemption therein.

Application of the 2023A Pledged Revenues

The Fifth Supplemental Indenture establishes a Series 2023A Revenue Account within the Revenue Fund. The 2023A Revenue Account 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 and for the sole benefit of the 2023A Bonds.

The District shall deposit all revenues received by the District from the 2023A Assessments with the Trustee immediately upon receipt together with a written accounting setting forth the amounts of such 2023A Assessments which are in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

- (i) 2023A Prepayment Principal, which shall be deposited into the 2023A Prepayment Subaccount in the Redemption Account; and
- (ii) all other revenues from the 2023A Assessments, which shall be deposited into the 2023A Revenue Account.

Moneys other than 2023A Assessments received by the Trustee in respect of the 2023A Assessments or 2023A Bonds shall, at the written direction of the District, be deposited into the 2023A Optional Redemption Subaccount of the 2023A Redemption Account and used to pay the principal of and premium, if any, on 2023A Bonds called or to be called for optional redemption at the written direction of the District in accordance with the provisions for optional redemption of 2023A Bonds as set forth in the form of 2023A Bonds attached hereto.

On the forty-fifth (45th) day preceding each Quarterly Redemption Date (or if such date is not a Business Day, on the Business Day next preceding such date), the Trustee shall determine the amount on deposit in the 2023A Prepayment Subaccount of the 2023A Redemption Account, and, if the balance therein is greater than zero, shall transfer from the 2023A Revenue Account for deposit into the 2023A Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of the 2023A Bonds on the next succeeding Quarterly Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the 2023A Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the 2023A Bonds set forth in the Indenture. The Trustee authorized and directed to withdraw from the corresponding Interest Account, the amount of interest accrued or to accrue on 2023A Bonds to be redeemed to the Quarterly Redemption Date therefor.

On each May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), commencing May 1, 2023 the Trustee shall then transfer amounts on deposit in the 2023A Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the 2023A Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2023A Bonds then Outstanding on such May 1 or November 1, less any other amount already on deposit in the 2023A Interest Account not previously credited (including amounts transferred from the 2023A Capitalized Interest Account pursuant to the Indenture);

SECOND, to the 2023A Principal Account, the amount, if any, equal to the difference between the principal all 2023A Bonds due on such May 1 (or, with respect to each November 1, the next ensuing May 1), and the amount already on deposit in the 2023A Principal Account not previously credited;

THIRD, to the 2023A Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all 2023A Bonds subject to mandatory sinking fund redemption on such May 1 (or, with respect to each November 1, the next ensuing May 1), and the amount already on deposit in the 2023A Sinking Fund Account not previously credited; and

FOURTH, to the 2023A Reserve Account, the maximum amount which will not cause the balance therein to exceed the 2023A Reserve Account Requirement.

Anything in the Indenture to the contrary notwithstanding, it shall not, a fortiori, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefor.

Investments

Anything in the Indenture to the contrary notwithstanding, amounts in all of the Funds and Accounts held as security for the 2023A Bonds shall be invested only in 2023A Investment Obligations, and all earnings thereon shall be deposited, as realized, to the 2023A Revenue Account and applied for the purposes of such Account. Investment Obligations purchased as an investment of moneys in any Fund or Account shall be deemed at all times to be part of such Fund or Account, and the interest accruing thereon and profit realized from such investment shall be credited as provided in the Master Indenture. Any loss resulting from such investment shall be charged to such Fund or Account. The Trustee may, upon the direction of an Authorized Officer, transfer investments within such Funds or Accounts without being required to sell such investments. The Trustee shall sell at the best price obtainable or present for redemption any obligation so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from any such Fund or Account. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in accordance with the written direction of an Authorized Officer) or for failure to achieve maximum possible earnings on investment. See "APPENDIX A: COPY OF MASTER INDENTURE AND PROPOSED FORM OF SUPPLEMENTAL INDENTURE" attached hereto.

Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner

The Indenture contains 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 at least eight percent (8%) of the 2023A Assessments pledged to the 2023A Bonds Outstanding (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").

The District will acknowledge and agree in the Indenture that, although the 2023A Bonds were issued by the District, the Owners of the 2023A 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 an Insolvent Taxpayer: (i) the District will agree that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the 2023A Bonds Outstanding, prior to 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 Proceedings or in any action related to a Proceeding that affects, either directly or indirectly, the 2023A Assessments relating to the 2023A Bonds Outstanding, the Outstanding 2023A Bonds or any rights of the Trustee under the Indenture (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the 2023A Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following receipt by the Trustee of the written request for

consent); (ii) 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 2023A Assessments relating to the 2023A Bonds Outstanding, the 2023A Bonds Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee; (iii) the District will agree that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the 2023A Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following receipt by the Trustee of the written request for consent); (iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise 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 and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the 2023A Assessments relating the 2023A Bonds Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and (v) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceedings or take any other action in such Proceedings, which is adverse to Trustee's enforcement or the District's claim and rights with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding 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 2023A Assessments pledged to the 2023A Bonds Outstanding, (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 paragraph, nothing in the Indenture shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance Assessments, and the District shall be free to pursue such claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for operation and maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding 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 clause (iv) above. See "BONDOWNERS' RISKS – Bankruptcy Risks" herein for more information.

Events of Default and Remedies

Each of the following shall be an "Event of Default" under the Indenture, with respect to the 2023A Bonds:

- (a) Any payment of Debt Service on such 2023A Bonds is not made when due;

(b) The District shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;

(c) The District admits in writing its inability to pay its debts general as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of a related 2023A Project;

(d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;

(e) The District shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;

(f) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control;

(g) The District shall default in the due and punctual performance of any of the material covenants, conditions, agreements and provisions contained in the 2023A Bonds or in the Indenture relating to such 2023A Bonds on the part of the District to be performed (other than a default in the payment of Debt Service on the 2023A Bonds when due, which is an Event of Default under the Master Indenture) and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owner of not less than ten percent (10%) in aggregate principal amount of the 2023A Bonds then Outstanding and affected by such amendment;

(i) Any portion of the 2023A Assessments pledged to the 2023A Bonds shall have become delinquent and, as the result thereof, the Indenture authorizes the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in 2023A Reserve Account to pay the Debt Service Requirements on the 2023A Bonds (regardless of whether the Trustee does or does not actually withdraw such funds from the 2023A Reserve Account to pay the Debt Service Requirements on the 2023A Bonds) (the foregoing being referred to as a "Reserve Account Event") unless within sixty (60) days from the Reserve Account Event the District has either (i) replenished the amounts, if any, withdrawn from the 2023A Reserve Account or (ii) the portion of the delinquent 2023A Assessments giving rise to the Reserve Account Event are paid and are no longer delinquent 2023A Assessments; or

(j) More than fifteen percent (15%) of the operation and maintenance assessments that are directly billed by the District and levied by the District on tax parcels subject to the 2023A Assessments are not paid by the date such are due and payable and such default continues for sixty (60) days after the date when due. The District shall give written notice to the Trustee of the occurrence of the events set forth in this paragraph (b) not later than 10 days after the end of the sixty day period referred to in the preceding sentence. The Trustee shall not be deemed to have knowledge of the occurrence of such an Event of Default absent notice thereof from the District.

The 2023A Bonds are not subject to acceleration under the Indenture.

Upon the happening and continuance of any Event of Default specified in the Indenture with respect to the 2023A Bonds, the Trustee or, if the Trustee is unwilling or unable to act, the Majority Owners of the 2023A Bonds then Outstanding may protect and enforce the rights of the Owners of the 2023A Bonds under Florida law, and under the Indenture and the 2023A Bonds, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power in the Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee or the Owners of such 2023A Bonds, as the case may be, shall deem most effectual to protect and enforce such rights.

If any proceeding taken by the Trustee or any Owner on account of any default shall have been discontinued or abandoned for any reason, then the District and the Owner shall be restored to their former positions and rights under the Indenture, respectively, and all rights and remedies of the Owners shall continue as though no such proceeding had been taken.

Except as provided in the Indenture, no Owner of any of the 2023A Bonds shall have any right in any manner whatever to affect, disturb or prejudice the security of the Indenture, or to enforce any right thereunder except in the manner as provided in the Indenture, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the 2023A Bonds.

Nothing in the Indenture shall affect or impair the right of any Owner to enforce the payment of Debt Service on the 2023A Bond of which such person is the registered Owner, or the obligation of the District to pay Debt Service to the Owner at the time and place specified in in such 2023A Bond.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

General

The primary source of payment for the 2023A Bonds are the collection of 2023A Assessments imposed on certain lands in the District specially benefited by the 2023A 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 2023A Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Lee County Tax Collector ("Tax Collector") or the Lee County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, 2023A Assessments during any year. Such delays in the collection of 2023A Assessments, or complete inability to collect the 2023A 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 2023A Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the 2023A 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 2023A Bonds.

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

Pursuant to the Act and the Assessment Proceedings, the District may collect the 2023A Assessments through a variety of methods. See "BONDOWNERS' RISKS." Pursuant to the Indenture, the

District has agreed that, subject to the District entering into agreements with the Property Appraiser and Tax Collector, 2023A Assessments levied on platted lots and pledged under the Indenture to secure the 2023A Bonds will be collected pursuant to the Uniform Method for the levy, collection and enforcement of special assessments. To the extent the District is not able to collect 2023A Assessments through the Uniform Method, the District may elect to collect and enforce the 2023A Assessments pursuant to any other available method. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are platted and sold, the 2023A Assessments will be added to the County tax roll and collected pursuant to the Uniform Method unless the timing for using the Uniform Method will not yet allow for using such 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 2023A 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 2023A 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 2023A Assessments and the ability to foreclose the lien of such 2023A Assessments upon the failure to pay such 2023A 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 2023A 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 2023A 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 2023A Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the 2023A Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "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 2023A 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 2023A Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the 2023A Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the 2023A 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 2023A Bonds.

Under the Uniform Method, if the 2023A Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the 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 2023A 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 2023A Assessments, (2) that future landowners and taxpayers in the District will pay such 2023A 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 2023A Assessments and all other liens that are coequal therewith.

Collection of delinquent 2023A 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 2023A 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 the cost of advertising and the applicable interest charge on the amount of such delinquent Taxes and Assessments. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, penalties and interest thereon and certain costs, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

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 a fee. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the 2023A Assessments), interest, costs and charges on the real property described in the certificate.

Unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees, any tax certificate in the hands of a person other than the County may be redeemed and

canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued, and at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, and charges due. Regardless of the interest rate actually borne by the certificates, persons redeeming tax certificates must pay a minimum interest rate of 5%, unless the rate borne by the certificates is zero percent. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the tax certificate such proceeds less service charges, and the certificate is canceled. Redemption of tax certificates held by the County is effected by purchase of such certificates from the County, as described above.

Any holder, other than the County, of a tax certificate that has not been redeemed has seven years from the date of issuance of the tax certificate during which to act against the land that is the subject of the tax certificate. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all 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 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 the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear.

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

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

There can be no guarantee that the Uniform Method will result in the payment of 2023A 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 2023A Assessments, which are the primary source of payment of the 2023A 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 2023A Bonds offered hereby and are set forth below. Prospective investors in the 2023A 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 2023A 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 2023A 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 2023A Bonds.

Concentration of Land Ownership

As of the date hereof, the Landowners own all of the assessable lands within Assessment Area 4, which are the lands that will be subject to the 2023A Assessments securing the 2023A Bonds. Payment of the 2023A Assessments is primarily dependent upon their timely payment by the Landowners and the other future landowners in Assessment Area 4. Non-payment of the 2023A Assessments by any of the landowners could have a substantial adverse impact upon the District's ability to pay debt service on the 2023A Bonds. See "THE LANDOWNERS" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS" herein.

Bankruptcy and Related Risks

In the event of the institution of bankruptcy or similar proceedings with respect to the Landowners or any other owner of benefited property, delays could occur in the payment of debt service on the 2023A Bonds, as such bankruptcy could negatively impact the ability of: (i) the Landowners and any other landowner to pay the 2023A Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the 2023A Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the 2023A Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the 2023A 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 2023A Bonds, including, without limitation, enforcement of the obligation to pay 2023A Assessments and the ability of the District to foreclose the lien of the 2023A 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 2023A 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 2023A 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 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 2023A BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner" herein. The District cannot express any view whether such delegation would be enforceable.

2023A Assessments Are Non-Recourse

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

Regulatory and Environmental Risks

The development of the District Lands, including Assessment Area 4, 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 Assessment Area 4 and the likelihood of timely payment of principal and interest on the 2023A 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 Assessment Area 4 and the likelihood of the timely payment of the 2023A 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 Assessment Area 4. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received by the Landowners. 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 Assessment Area 4. 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 Assessment Area 4.

The value of the lands subject to the 2023A 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 within Assessment Area 4 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 2023A Bonds. The 2023A 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 Assessment Area 4 and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Landowners. Moreover, the Landowners have 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 2023A 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 2023A 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 2023A 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 2023A Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect

to such 2023A Assessment, even though the landowner is not contesting the amount of the 2023A 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 2023A Bonds

The 2023A Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the 2023A Bonds in the event an Owner thereof determines to solicit purchasers for the 2023A Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the 2023A Bonds may be sold. Such price may be lower than that paid by the current Owners of the 2023A Bonds, depending on the progress of development of the Development and the lands within Assessment Area 4, 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 2023A Assessments, may not adversely affect the timely payment of debt service on the 2023A Bonds because of the 2023A Reserve Account. The ability of the 2023A Reserve Account to fund deficiencies caused by delinquencies in the 2023A Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the 2023A 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 the 2023A Reserve Account to make up deficiencies. If the District has difficulty in collecting the 2023A Assessments, the 2023A Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the 2023A Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the 2023A 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 2023A 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 2023A Assessments in order to provide for the replenishment of the 2023A Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS – Reserve Account" herein for more information about the 2023A Reserve Account.

Legal Delays

If the District should commence a foreclosure action against a landowner for nonpayment of 2023A 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 2023A 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 herein), there are limitations on the amounts of proceeds from the 2023A 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 qualified electors. There can be no assurance that an audit by the IRS of the 2023A 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 2023A Bonds are advised that, if the IRS does audit the 2023A 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 2023A 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 2023A 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 2023A 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 2023A Bonds would adversely affect the availability of any secondary market for the 2023A Bonds. Should interest on the 2023A Bonds become includable in gross income for federal income tax purposes, not only will Owners of 2023A Bonds be required to pay income taxes on the interest received on such 2023A Bonds and related penalties, but because the interest rate on such 2023A Bonds will not be adequate to compensate Owners of the 2023A Bonds for the income taxes due on such interest, the value of the 2023A Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE 2023A BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE 2023A BONDS. PROSPECTIVE PURCHASERS OF THE 2023A BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE 2023A BONDS IN THE EVENT THAT THE INTEREST ON THE 2023A 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 2023A 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 2023A 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 2023A Bonds would need to ensure that subsequent transfers of the 2023A 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 2023A 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 2023A 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 2023A Bonds. Prospective purchasers of the 2023A 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 2023A 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 2023A Project will exceed the net proceeds from the 2023A Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the 2023A Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the 2023A Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS – Additional Obligations" for more information.

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

Further, there is a possibility that, even if Assessment Area 4 is developed, the Builders may not close on all or any of the lots therein, and such failure to close could negatively impact the construction of homes in Assessment Area 4. The Builder Contracts may also be terminated by the Builders upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – Builder Contracts" herein for more information about the Builders and the Builder Contracts.

COVID-19 and Related Matters

In addition to the general economic conditions discussed above, the timely and successful completion of the development of Assessment Area 4, the purchase of lots therein by the Builders and the construction and sale to purchasers of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State and the County have all previously imposed certain health and public safety restrictions in response to COVID-19 in the past. The District cannot predict whether new actions may be taken by government authorities in the future to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The District and the Landowners cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the Development is unknown. It is possible that delays in lot purchases by the Builders, construction delays, delays in the receipt of permits or other government approvals, supply chain delays, increased costs, delays in sales to end users or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the Development. 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 2023A Bonds.

Prepayment and Redemption Risk

In addition to being subject to optional and mandatory sinking fund redemptions, the 2023A Bonds are subject to extraordinary mandatory redemption, including, without limitation, as a result of prepayments of the 2023A Assessments by the Landowners or subsequent owners of the property within Assessment Area 4. Any such redemptions of the 2023A Bonds would be at the principal amount of such 2023A Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the 2023A Bonds may not realize their anticipated rate of return on the 2023A Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the 2023A Bonds. See "DESCRIPTION OF THE 2023A BONDS – Redemption Provisions," "– Purchase of 2023A Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2023A BONDS – Prepayment of 2023A Assessments" herein for more information.

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

(1) Capitalized interest through _____ 1, 20__.

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

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DEBT SERVICE REQUIREMENTS

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

<u>Year Ended</u> <u>November 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u> <u>Debt Service</u>
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Total

[Remainder of page intentionally left blank.]

THE DISTRICT

General Information

The District was established pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and pursuant to Chapter 42YY-1, Florida Administrative Code, implemented by the Florida Land and Water Adjudicatory Commission, effective on April 21, 2005, as amended by Rule 42YY-1.002, effective July 20, 2006. The boundaries of the District include approximately 1,958 gross acres of land (the "District Lands"), located approximately one-half mile south of Palm Beach Boulevard (State Road 80) and six miles east of Buckingham Road and Interstate 75, in an unincorporated portion of Lee County, Florida. The District Lands are being developed as a residential development known as "River Hall" (the "Development"). See "THE DEVELOPMENT" herein for more information.

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. The District is classified as an independent district under Chapter 189, Florida Statutes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and wastewater 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; and (iv) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses and security; (b) borrow money and issue bonds of the 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 2023A Bonds.

Board of Supervisors

The governing body of the District is its Board of Supervisors (the "Board"), which is composed of five Supervisors (the "Supervisors"). Landowner elections are held every two years in November.

Generally stated, at each landowner election, each landowner is entitled to cast one vote for each acre of land owned with fractions thereof rounded upward to the nearest whole number, or one vote per platted lot. All of the current Supervisors were elected by qualified electors of the District. A "qualified elector" in this instance is any person at least eighteen (18) years of age who is a citizen of the United States, a legal resident of Florida and of the District, and who is also registered to vote with the Supervisor of Elections for the County. Any candidate elected through a "qualified elector" election receives a four year term.

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

Name	Title	Term Expires
Kenneth D. Mitchell	Chair	November 2024
Robert Stark	Vice Chair	November 2026
Paul D. Asfour	Assistant Secretary	November 2024
Michael G. Morash	Assistant Secretary	November 2024
Daniel J. Block	Assistant Secretary	November 2026

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 Akerman LLP, Jacksonville, Florida, as Bond Counsel; and Coleman, Yovanovich & Koester, P.A., Naples, 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 2023A Bonds. Barraco and Associates, Inc., Fort Myers, Florida, is serving as Project Engineer with respect to the 2023A Project.

Outstanding Bond Indebtedness and Prior Bond Defaults

The District previously issued its River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005 (the "2005 Bonds") in the aggregate principal amount of \$26,485,000. The 2005 Bonds were secured by the 2005 Assessments, which were levied on the District Lands benefitted by the Original Project (as defined herein), a portion of which 2005 Assessments became delinquent (the "Delinquent Lands") due the failure of prior landowner(s) to timely pay such 2005 Assessments. As a result of these delinquencies, the District defaulted on the 2005 Bonds. The Delinquent Lands were subsequently acquired by an affiliate of the Landowners, RH Venture I (as defined herein), and the District entered into a restructuring agreement with RH Venture I.

Pursuant to the restructuring, the District issued its Capital Improvement Revenue Bonds, Series 2011A-1, in the original principal amount of \$12,505,000 (the "2011A-1 Bonds") and its Capital Improvement Revenue Bonds, Series 2011A-2, in the original principal amount of \$13,860,000 (the "2011A-2 Bonds and, together with the 2011A-1 Bonds, the "2011 Bonds") in exchange for the then Outstanding 2005 Bonds. Following the exchange, the 2011A-1 Bonds were secured by the 2011A-1 Assessments levied on the District Lands that were not Delinquent Lands, and the 2011A-2 Bonds were secured by the 2011A-2 Assessments levied on the Delinquent Lands. In 2014, the District was late in making a payment of principal and interest with respect to the 2011A-2 Bonds. The payment was subsequently made, and the 2011A-2 Bonds were brought current.

On September 16, 2021, the District issued its \$9,065,000 Capital Improvement Refunding Revenue Bonds, Series 2021A-1 (the "2021A-1 Bonds") to refund the 2011A-1 Bonds and its \$9,930,000 Capital Improvement Refunding Revenue Bonds, Series 2021A-2 (the "2021A-2 Bonds" and, together with the 2021A-1 Bonds, the "2021A Bonds") to refund the 2011A-2 Bonds. As of October 29, 2023, the 2021A Bonds were outstanding in the principal amount of \$16,925,000.

Following the refunding, the 2021A-1 Bonds are secured by the 2021A-1 Assessments (formerly the 2011A-1 Assessments) levied on the District Lands that are not Delinquent Lands. The District Lands subject to the 2021A-1 Assessments are separate and distinct from the District Lands that will be subject to the 2023A Assessments securing the 2023A Bonds. The 2021A-2 Bonds are secured by the 2021A-2 Assessments (formerly the 2011A-2 Assessments) levied on the Delinquent Lands. Prior to issuance of the 2023A Bonds, the Landowners will prepay all of the 2021A-2 Assessments levied on that portion of the Delinquent Lands that has been designated as Assessment Area 4, which are the lands that will be subject to the 2023A Assessments securing the 2023A Bonds, in the principal amount of \$1,622,236.48, together with interest accrued thereon through the redemption date. Thereafter, the lands in Assessment Area 4 will no longer be subject to assessments securing the 2021A-2 Bonds. The portion of the 2021A-2 Bonds secured by 2021A-2 Assessments levied on lands outside of Assessment Area 4, which are separate and distinct from the District Lands that will be subject to the 2023A Assessments securing the 2023A Bonds, will remain outstanding.

The District also previously issued its Capital Improvement Revenue Bonds, Series 2020A (Assessment Area 3) (the "2020A Bonds") in the aggregate principal amount of \$7,410,000, of which \$7,115,000 was outstanding as of October 29, 2023. The District Lands subject to the 2020A Assessments are separate and distinct from the District Lands that will be subject to the 2023A Assessments securing the 2023A Bonds.

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THE CAPITAL IMPROVEMENT PLAN AND THE 2023A PROJECT

General

The District previously issued its 2005 Bonds to finance a portion of the public infrastructure improvements associated with prior phases of development of the District Lands (the "Original CIP"). The Original CIP was anticipated to be constructed in five phases. The Original CIP in Phases I and II is complete, and portions of the Original CIP for Phases III and IV have been installed, with construction ongoing.

Assessment Area 4 corresponds to (i) Hampton Lakes Phase 4, which is planned to contain 195 single-family lots, and (ii) additional improvements to four existing parcels within River Hall Country Club consisting of Parcels C, H, Z, and K2. See "APPENDIX C: ENGINEER'S REPORT" for more information.

2023A Project

Barraco and Associates, Inc. (the "Project Engineer") prepared a report entitled "Supplement #2 to the River Hall Community Development District Engineer's Report Dated October 25, 2005 and Supplement #1 Dated November 15, 2019 Revised July 2, 2020," dated July 25, 2023, as may be further amended and supplemented from time to time (the "Engineer's Report"). The Engineer's Report contains updates on the status of the Original CIP and describes the improvements to be constructed in Assessment Area 4.

The Engineer's Report sets forth certain public infrastructure improvements, including without limitation, onsite and offsite improvements, surface water management system, sanitary sewer system, water distribution system, and related professional fees relating to the development of the lands designated as Assessment Area 4 and is planned to contain 311 residential lots (the "2023A Project"). The Project Engineer estimates the cost of the 2023A Project to be approximately \$11,293,200, as follows:

	Hampton Lakes	Parcel C	Parcel H	Parcel Z	Parcel K2	Total
Infrastructure						
Surface Water	\$2,089,000	\$196,000	\$ 655,000	\$272,000	\$ 601,000	\$ 3,813,000
Utilities	3,281,000	77,000	342,000	220,000	428,000	4,348,000
Boundary	350,000	--	--	--	--	350,000
Landscaping	100,000	--	--	--	--	100,000
Professional Fees	400,000	80,000	90,000	150,000	80,000	800,000
Contingency	1,244,000	70,600	217,400	128,400	221,800	1,882,200
Total:	\$7,464,000	\$423,000	\$1,304,000	\$770,400	\$1,330,800	\$11,293,200

Land development of Assessment Area 4 has commenced and is being constructed in phases. See "THE DEVELOPMENT – Development Plan / Status." The net proceeds of the 2023A Bonds available to fund the 2023A Project will be approximately \$6.6 million* and such proceeds will be used by the District towards the funding and/or acquisition of the 2023A Project. The Landowners will enter into a completion agreement that will obligate the Landowners to pay for and/or complete any portions of the 2023A Project not funded with proceeds of the 2023A Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein for more information.

The District anticipates issuing additional bonds to finance public infrastructure associated with the remaining lands within the District at a later time. Such bonds will be secured by lands that are separate and distinct from the lands within Assessment Area 4 securing the 2023A Bonds. See "SECURITY FOR

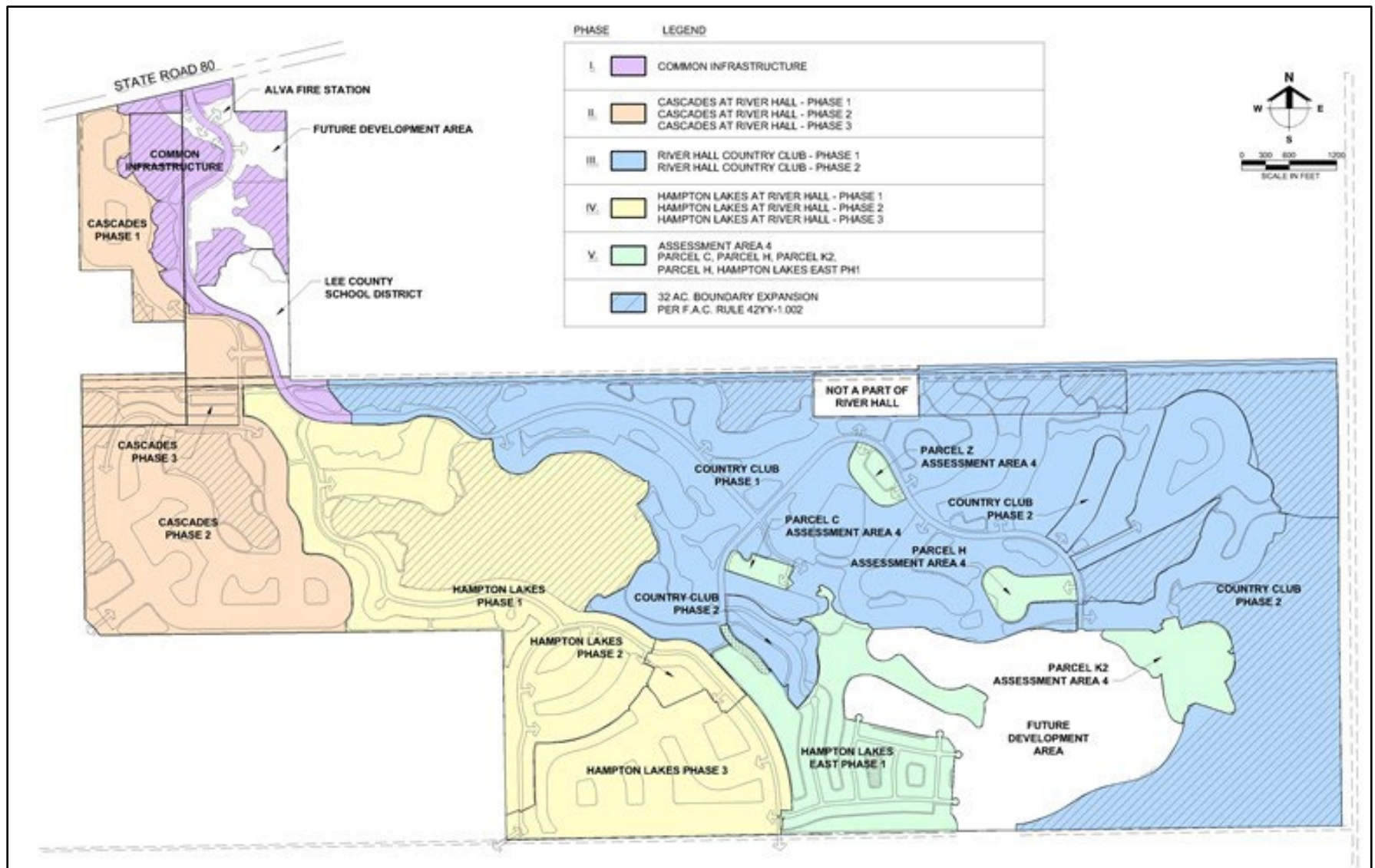
* Preliminary, subject to change

AND SOURCE OF PAYMENT OF THE 2023A BONDS – Additional Obligations" herein for more information.

The Project Engineer has indicated that all engineering permits necessary to construct the 2023A Project that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the Development. See "APPENDIX C: ENGINEER'S REPORT" for more information regarding the above improvements.

Set forth below is a sketch showing the boundaries of the District, existing development therein, and the location of Assessment Area 4 (shown in green).

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ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

The Assessment Area 4 Supplemental Special Assessment Methodology Report dated September 26, 2023 (the "Assessment Methodology"), which describes the methodology for allocation of the 2023A Assessments to lands within Assessment Area 4 of the District, has 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 2023A Bonds are determined, the Assessment Methodology will be amended to reflect such final terms. Once levied and imposed, the 2023A Assessments are a first lien on the land against which assessed until paid or barred by operation of law, co-equal with other non-federal taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The land within Assessment Area 4 is currently subject to the 2021A-2 Assessments. Prior to the issuance of the 2023A Bonds, the Landowners will prepay the portion of the 2021A-2 Assessments levied on the lands in Assessment Area 4 in the amount of approximately \$1,706,628.

As set forth in the Assessment Methodology, the 2023A Assessments are initially levied on approximately 129 gross acres within Assessment Area 4 until such time as lots are platted. Once platted, the assessments will be assigned to the platted lots in Assessment Area 4 in accordance with the Assessment Methodology. Assuming that all of the planned 311 residential units are developed and platted, then the estimated annual 2023A Assessment levels and the estimated par per unit is expected to be as follows. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

Parcel	Product Type	No. of Units	Annual 2023A Assessments Per Unit**	2023A Bonds Par Debt Per Unit*
Hampton Lakes Ph 4	50' Lots	195	\$1,823	\$23,451
Country Club Parcel C	55' Lots	22	2,005	25,796
Country Club Parcel Z	55' Lots	18	2,005	25,796
Country Club Parcel H	70' Lots	33	2,553	32,832
Country Club Parcel K2	70' Lots	43	2,553	32,832
Total		311		

*Preliminary, subject to change.

**This amount includes a gross up to account for early payment discounts and County collection fees.

The Assessment Methodology sets forth a "true-up mechanism," which provides that the debt per lot/unit remaining on the unplatted land is never allowed to increase above its maximum debt per lot/unit level. If the debt per lot/unit remaining on unplatted land increases above the maximum debt per lot/unit level, a debt reduction payment would be made by the Landowners so that the maximum debt per lot/unit level is not breached. This debt reduction payment would result in the extraordinary mandatory redemption of a portion of the 2023A Bonds. The Landowners will enter into a True-up Agreement in connection with their obligations to pay true-up payments in the event that the debt per lot/unit remaining on unplatted land increases above the maximum debt per unit level. See "THE DEVELOPMENT – Landowners' Agreements" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" hereto for additional information.

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The information appearing below under the captions "THE DEVELOPMENT" and "THE LANDOWNERS" has been furnished by the Landowners 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 Landowners make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Landowners as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Landowners are not guaranteeing payment of the 2023A Bonds or the 2023A Assessments.

THE DEVELOPMENT

General

The District Lands are being developed as River Hall (the "Development"), an approximately 1,958-acre Residential and Commercial Planned Development (RPD/CPD) located within unincorporated Lee County, Florida. The Development is located approximately one-half mile south of Palm Beach Boulevard (State Road 80) and six miles east of Interstate 75. At buildout, the Development is expected to contain approximately 2,695 residential units.* As of September 30, 2023, approximately 1,595 homes have been constructed and sold to homebuyers.

The Development contains three separate and distinct residential communities:

- Cascades – Cascades is an age-restricted community being developed by Pinnacle. D.R. Horton is the builder. There are approximately 570 planned homes within Cascades, and approximately 568 have been built and sold to homebuyers as of September 30, 2023.
- River Hall Country Club – River Hall Country Club is a golf course development being developed by the Landowners. Pulte, Pinnacle and Lennar Homes are builders within River Hall Country Club. Approximately 1,000 units are planned for development within River Hall Country Club, with approximately 395 units built and sold to homebuyers as of September 30, 2023. Year to date 2023 home sales have averaged approximately 10 sales per month, and home prices for units sold in 2023 have ranged from approximately \$375,000 to \$815,000. River Hall Country Club contains Parcels C, H, Z and K2, which constitute a portion of Assessment Area 4. Lennar Homes is under contract to buy 43 of the 116 planned lots within such parcels, and Pulte is under contract to buy the remaining 73 planned lots.
- Hampton Lakes – Hampton Lakes is a single-family residential community within the Development that is being marketed to both retirees and second-home buyers. Hampton Lakes is planned to contain approximately 1,000 units, with approximately 632 homes built and sold as of September 30, 2023. In calendar year 2022 and through September 30, 2023, approximately 125 homes and 89 homes, respectively, were sold. Home sales in 2023 have averaged approximately 9 sales per month, and home prices for units has ranged from approximately \$355,000 to \$610,000. See "–Residential Product Offerings" herein for

* Includes development approvals for lots that are not currently reflected in the unit totals for the three communities being developed within the District Lands as described herein, which will be determined at a future time. The Landowners have applied for an amendment to the comprehensive plan to increase the total approved density for the Development to 3,242 units; however, such amendment does not impact the development of the lands within Assessment Area 4.

more information. Pulte and Lennar Homes are the builders at Hampton Lakes, and their current lot supply is approaching completion. Lennar Homes is under contract to buy 130 of the 195 planned lots in Hampton Lakes Phase 4, which is a portion of the land area constituting Assessment Area 4, and Pulte is under contract to purchase the remaining 65 planned lots therein. See "-Builder Contracts" herein for more information.

Separate assessment areas have been created to facilitate the District's financing program for the remaining undeveloped land in the Development. Assessment Area 4 contains approximately 129 gross acres and corresponds to (i) the project area known Hampton Lakes Phase 4, which is planned to contain 195 residential lots and (ii) four existing parcels within River Hall Country Club consisting of Parcels C, H, Z, and K2. Net proceeds of the 2023A Bonds will provide funds to install a portion of the infrastructure associated with Assessment Area 4.

Set forth below is an aerial photograph showing the three residential communities within the Development, including the parcels comprised within Assessment Area 4.



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RH Venture II, LLC, a Florida limited liability company ("RH Venture II") and RH Venture III, LLC, a Florida limited liability company ("RH Venture III" and, together with RH Venture II, the "Landowners"), own the land within Assessment Area 4. The District will install the infrastructure associated with Assessment Area 4, and the Landowners will sell developed lots to homebuilders who will construct and market homes for sale to homebuyers. See "THE LANDOWNERS" herein for more information. The Landowners have entered into contracts with Lennar Homes for the sale of 173 developed lots within Assessment Area 4 in a series of takedowns and with Pulte for the sale of 138 developed lots within Assessment Area 4 in a series of takedowns. See "–Builder Contracts" herein.

The target market for homebuyers within the Development is primarily retirees and second-home buyers. Starting home prices are expected to range from approximately \$360,000 to approximately \$430,000. See "–Residential Product Offerings" herein.

Land Acquisition and Finance Plan

The Landowners' affiliate, RH Venture I, LLC, a Florida limited liability company ("RH Venture I"), acquired a portion of the lands within the District in a distressed acquisition on October 19, 2010 for approximately \$550,000, subject to past due taxes and District bond debt assessments. In May 2011, RH Venture I restructured its ownership interest and conveyed the lands within Assessment Area 4 to the Landowners. There are currently no mortgages on the lands within the District.

The Landowners estimate that the costs to complete Assessment Area 4 will be approximately \$11.3 million. As of October 2023, approximately \$3.0 million has been spent on development of Assessment Area 4. The net proceeds of the 2023A Bonds available to fund the 2023A Project will be approximately \$6.6 million.* Costs not funded by the 2023A Bonds will be funded by the Landowners with land sale proceeds and equity. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Development Plan / Status

Assessment Area 4 consists of five separate parcels of land, the development of which will be phased as follows.

Hampton Lakes Phase 4. Hampton Lakes Phase 4 is planned for 195 single-family homes on 50' lots. Land development for Hampton Lakes Phase 4 commenced in October 2023 and will be sub-phased. Development of Phase I, planned for 13 lots, is expected to be complete in the first quarter of 2024. Development of Phase II, planned for 114 lots, is expected to be complete in the third quarter of 2024. Development of Phase III, planned for 68 lots, is expected to be complete in the first quarter of 2025. A plat for the 195 lots planned for Hampton Lakes Phase 4 is expected to be recorded by February 2024. RH Venture II has entered into contracts with Lennar Homes and Pulte for all 195 lots planned within Hampton Lakes Phase 4. Builder closings are expected to occur in a series of takedowns beginning upon development completion.

Parcel C. River Hall Country Club Parcel C is planned for 22 single-family homes on 55' lots. Land development for Parcel C commenced in May 2023 and is expected to be completed by February 2024. A plat for the 22 lots planned for Parcel C is expected to be recorded by January 2024. The Landowners have entered into a contract with Pulte for the purchase of all 22 lots planned for Parcel C in a single closing upon development completion.

* Preliminary, subject to change.

Parcel Z. River Hall Country Club Parcel Z is planned for 18 single-family homes on 55' lots. Land development for Parcel Z commenced in May 2023 and is expected to be completed by March 2024. A plat for the 18 lots planned for Parcel Z is expected to be recorded by January 2024. The Landowners have entered into a contract with Pulte for the purchase of all 18 lots planned for Parcel Z in a single closing upon development completion.

Parcel H. River Hall Country Club Parcel H is planned to contain 33 single-family homes on 70' lots. Land development for Parcel H commenced in May 2023 and is expected to be completed by February 2024. A replat for the 33 lots currently planned for Parcel H is expected to be recorded by February 2024. The Landowners have entered into a contract with Pulte for the purchase of all 33 lots planned for Parcel H in a single closing upon development completion.

Parcel K2. River Hall Country Club Parcel K2 is platted to contain 43 single-family homes 70' lots. Land development for the 43 lots in Parcel K2 commenced in March 2023 and is expected to be completed by November 2023. RH Venture III has entered into a contract with Lennar Homes for all 43 lots planned within Parcel K2, with lot closings expected to occur in a series of takedowns beginning upon development completion.

The Landowners will deliver lots within Assessment Area 4 to the Builders as development within the respective parcels is completed, at which point sales and vertical construction will commence, with the first lot deliveries expected to begin in December 2023. Closings with homebuyers within Assessment Area 4 are expected to commence by the second quarter of 2024.

The Landowners anticipate that homes in Assessment Area 4 will be sold to end users at the pace of approximately 140 units per annum until expected buildout. This anticipated absorption is based upon estimates and assumptions made by the Landowners that are inherently uncertain, though considered reasonable by the Landowners, 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 Landowners. As a result, there can be no assurance such absorption rate will occur or be realized in the time frame anticipated.

Builder Contracts

The Landowners have entered into contracts (the "Builder Contracts") with (i) Lennar Homes, LLC, a Florida limited liability company ("Lennar Homes"), for the purchase of 173 lots within Assessment Area 4, and (ii) Pulte Home Company, LLC, a Michigan limited liability company ("Pulte"), for the purchase of the remaining 138 lots planned within Assessment Area 4. Both Lennar Homes and Pulte are currently builders in Hampton Lakes and River Hall Country Club and are nearing completion of the lot supply they currently own and/or are under contract to purchase within prior phases of Hampton Lakes. The total aggregate base purchase price for all 311 lots planned within Assessment Area 4 is \$30,974,500. For more detailed information regarding the Builder Contracts, please see the discussion below.

Lennar Homes – Hampton Lakes

RH Venture II has entered into a Purchase and Sale Agreement (Hampton Lakes East) dated July 6, 2023 (the "Lennar Homes Hampton Lakes Contract"), with Lennar Homes. The Lennar Homes Hampton Lakes Contract provides for the purchase, in a series of quarterly takedowns, of one hundred thirty (130) developed fifty-foot residential lots within the Hampton Lakes Phase 4 portion of Assessment Area 4. The Lennar Homes Hampton Lakes Contract provides for a base purchase price of \$87,500 per lot, for an aggregate base purchase price of \$11,375,000, subject to additional consideration as set forth in the Lennar Homes Hampton Lakes Contract.

Pursuant to the Lennar Homes Hampton Lakes Contract, the initial closing thereunder of twenty (20) lots shall occur on the date that is fifteen (15) days following development completion, with subsequent closings of twenty (20) lots each taking place every ninety (90) days thereafter until Lennar Homes has closed on all of the lots under the Lennar Homes Hampton Lakes Contract. The Landowners anticipate that the initial closing under the Lennar Homes Hampton Lakes Contract will occur in the third quarter of 2024.

Pursuant to the Lennar Homes Hampton Lakes Contract, Lennar Homes has made a total deposit of \$1,137,500, which deposit has been released to RH Venture II upon satisfaction of certain conditions, including recordation of a mortgage in favor of Lennar Homes. Notwithstanding the foregoing, there is a risk that Lennar Homes may not close on any lots thereunder, or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Lennar Homes was formed on November 30, 2006 and is wholly owned by Lennar Corporation ("Lennar Corp."). Lennar Corp. stock trades on the New York Stock Exchange under the symbol LEN. Lennar Corp. is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Lennar Corp. is No-1-11749. 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 Lennar Corp. pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Official Statement will be available for inspection in the same manner as described above.

Lennar Homes – Country Club Parcel K2

RH Venture III has entered into a Purchase and Sale Agreement (River Hall Country Club – Parcel K2) dated June 26, 2023 (the "Lennar Homes K2 Contract"), with Lennar Homes. The Lennar Homes K2 Contract provides for the purchase, in a series of quarterly takedowns, of forty-three (43) developed seventy-foot residential lots within Parcel K2 in the River Hall County Club portion of Assessment Area 4. The Lennar Homes K2 Contract provides for a base purchase price of \$129,500 per lot, for an aggregate base purchase price of \$5,568,500, subject to additional consideration as set forth in the Lennar Homes K2 Contract.

Pursuant to the Lennar Homes K2 Contract, the initial closing thereunder of ten (10) lots shall occur on the date that is fifteen (15) days following development completion, with subsequent closings of ten (10) lots each taking place every ninety (90) days thereafter until Lennar Homes has closed on all of the lots under the Lennar Homes K2 Contract. The Landowners anticipate that the initial closing under the Lennar Homes K2 Contract will occur in December 2023.

Pursuant to the Lennar Homes K2 Contract, Lennar Homes has made a total deposit of \$500,000, which deposit has been released to RH Venture III upon satisfaction of certain conditions, including recordation of a mortgage in favor of Lennar Homes. Notwithstanding the foregoing, there is a risk that Lennar Homes may not close on any lots thereunder, or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

For more information regarding Lennar Homes, see "–Lennar Homes – Hampton Lakes" above.

Pulte – Hampton Lakes

RH Venture II has entered into a Purchase and Sale Agreement (Hampton Lakes East) dated September 15, 2023 (the "Pulte Hampton Lakes Contract"), with Pulte. The Pulte Hampton Lakes Contract provides for the purchase, in a series of quarterly takedowns, of sixty-five (65) developed residential lots within the Hampton Lakes Phase 4 portion of Assessment Area 4. The Pulte Hampton Lakes Contract provides for a base purchase price of \$87,500 per lot, for an aggregate base purchase price of \$5,687,500, subject to additional consideration as set forth in the Pulte Hampton Lakes Contract.

Pursuant to the Pulte Hampton Lakes Contract, the initial closing thereunder of fifteen (15) lots shall occur on the date that is fifteen (15) days following development completion, with subsequent closings of fifteen (15) lots each taking place every ninety (90) days thereafter until Pulte has closed on all of the lots under the Pulte Hampton Lakes Contract. The Landowners anticipate that the initial closing under the Pulte Hampton Lakes Contract will occur in the third quarter of 2024.

Pursuant to the Pulte Hampton Lakes Contract, Pulte has made an initial deposit of \$100,000. Following the expiration of Pulte's inspection period (currently expected to expire on November 14, 2023), provided that it has not canceled the Pulte Hampton Lakes Contract, Pulte will make an additional deposit of \$495,000, which deposit, if made, may then be released to RH Venture II upon satisfaction of certain conditions, including recordation of a mortgage in favor of Pulte. There is a risk that Pulte may cancel the Pulte Hampton Lakes Contract prior the expiration of its inspection period, may not close on any lots thereunder, or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

Pulte is the successor by conversion to Pulte Home Corporation, a Michigan corporation formed on January 24, 1985 and is wholly owned by PulteGroup, Inc., a Michigan corporation ("PulteGroup"). PulteGroup stock trades on the New York Stock Exchange under the symbol PHM. PulteGroup is subject to the informational requirements of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for PulteGroup is No. 1-9804. Such reports, proxy statements, and other information are available at the SEC's internet website at <http://www.sec.gov>. All documents subsequently filed by PulteGroup 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.

Pulte – Country Club Parcels C, H and Z

RH Venture III has entered into a Purchase and Sale Agreement (River Hall Country Club – Parcels C, H and Z) dated September 15, 2023 (the "Pulte Country Club Contract"), with Pulte. The Pulte Country Club Contract provides for the purchase, in a series of takedowns, of seventy-three (73) developed residential lots within Parcels C, H and Z in the River Hall Country Club portion of Assessment Area 4, consisting of forty (40) 55'-wide lots and thirty-three (33) 70'-wide lots. The Pulte Country Club Contract provides for a base purchase price of \$101,750,000 per 55' lot and \$129,500 per 70' lot, for an aggregate base purchase price of \$8,343,500, subject to additional consideration as set forth in the Pulte Country Club Contract.

Pursuant to the Pulte Country Club Contract, the closing on the lots within each Parcel shall occur on the date that is fifteen (15) days following development completion of such Parcel. The Landowners anticipate that closings under the Pulte Country Club Contract will occur in March 2024 with respect to Parcels C and H and April 2024 with respect to Parcel Z.

Pursuant to the Pulte Country Club Contract, Pulte has made an initial deposit of \$100,000. Following the expiration of Pulte's inspection period (currently expected to expire on November 14, 2023), provided that it has not canceled the Pulte Country Club Contract, Pulte will make an additional deposit of \$734,350,000, which deposit, if made, may then be released to RH Venture III upon satisfaction of certain conditions, including recordation of a mortgage in favor of Pulte. There is a risk that Pulte may cancel the Pulte Country Club Contract prior the expiration of its inspection period, may not close on any lots thereunder, or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

For more information regarding Pulte, see "– Pulte – Hampton Lakes" above.

Neither the Builders nor any other entity listed above is guaranteeing payment of the 2023A Bonds or the 2023A Assessments. None of the entities listed herein, other than the Landowners, has entered into any agreements in connection with the issuance of the 2023A Bonds.

Residential Product Offerings

The target customers for units within Assessment Area 4 are retirees and second-home buyers. Below is a summary of the expected types of units and price points for units in the Development.

Product Type	Square Footage	Beds/Baths	Starting Price Points
50' Lots	1,850	3 Bedrooms, 2 Baths	\$360,000
55' Lots	2,050	3 Bedrooms, 3 Baths	\$375,000
70' Lots	2,500	4 Bedrooms, 3 Baths	\$430,000

Development Approvals

The lands within the Development, including the lands within Assessment Area 4, are zoned to allow for the contemplated residential uses described herein. The Landowners have received environmental resource permits from the South Florida Water Management District ("SFWMD") for all of the land within Assessment Area 4; provided however that the Landowner has applied for a major modification to its permit relating to Hampton Lakes Phase 4, which application has been deemed complete by the SFWMD. Construction has commenced under the existing permits. In addition, the Landowner is awaiting utility permits for Hampton Lakes Phase 4, which are expected to be received in the ordinary course. The District Engineer has certified that all permits for the 2023A Project have been received by jurisdictional agencies to allow for the development contemplated herein or are reasonably expected to be received in the ordinary course. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein and "APPENDIX C: ENGINEER'S REPORT" hereto for more information.

Environmental

An environmental site assessment dated July 18, 2023 was received with respect to an approximately 230-acre parcel, which includes the land within Hampton Lakes Phase 4 (the "Hampton Lakes East ESA"). The Hampton Lakes East ESA did not reveal the presence of any recognized environmental conditions ("RECs") in connection with the subject property. In addition, an environmental site assessment dated July 2023 was received with respect to Parcels C, H, K2 and Z (the "Country Club Parcels ESA"). The Country Club Parcels ESA likewise did not reveal the presence of any RECS in connection with the subject property. See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

Amenities

The Development contains an approximately 11-acre community amenity site known as the "Town Hall," with an approximately 14,000-square foot clubhouse, a resort-style swimming pool, fitness center, various recreation fields and courts (collectively, the "Amenity"), and an 18-hole golf course with club and cart barn facilities (the "Golf Course"). All residents of Hampton Lakes and River Hall Country Club are members of the Town Hall Amenities Center Association, Inc., a Florida non-profit corporation ("Town Hall Association"), that operates the Amenity. Currently, the Amenity is owned by an affiliate of Landowners, RH Venture THC, LLC, a Florida limited liability company. In the future, the Amenity will be conveyed to the Town Hall Association. The Golf Course is currently owned by an affiliate of Landowners, RH Golf, LLC, a Florida limited liability company. In the future, the Golf Course will be conveyed to the River Hall Country Club Homeowners' Association, Inc., a Florida not-for-profit corporation ("River Hall Country Club"), the homeowners' association as to the lots within the River Hall Country Club portion of the Development.

Utilities

Potable water, wastewater treatment and reclaimed wastewater (reuse services) for the Development are expected to be provided by Lee County Utilities, Florida. Electric power is expected to be provided by Florida Power & Light Company. All utility services are available to the property.

Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the 2023A Assessments are initially levied on approximately 129 gross acres within Assessment Area 4 until such time as lots are platted. Once platted, the assessments will be assigned to the platted lots in Assessment Area 4 in accordance with the Assessment Methodology. Assuming that all of the planned 311 residential units are developed and platted, then the estimated annual 2023A Assessment levels and the estimated par per unit is expected to be as follows. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein.

Parcel	Product Type	No. of Units	Annual 2023A Assessments Per Unit*/**	2023A Bonds Par Debt Per Unit*
Hampton Lakes Ph 4	50' Lots	195	\$1,823	\$23,451
Country Club Parcel C	55' Lots	22	2,005	25,796
Country Club Parcel Z	55' Lots	18	2,005	25,796
Country Club Parcel H	70' Lots	33	2,553	32,832
Country Club Parcel K2	70' Lots	43	2,553	32,832
Total		311		

*Preliminary, subject to change.

**This amount includes a gross up to account for early payment discounts and County collection fees.

The District levies assessments to cover its operation and maintenance costs, which vary by lot size and are subject to change annually. The 2023 operation and maintenance assessments are: \$238.94 per 50' lot annually, \$262.57 per 55' lot annually and \$333.48 per 70' unit annually. In addition, residents will be required to pay homeowners' association fees, which vary by lot size and are subject to change. Homeowners within the Hampton Lakes portion of the Development are members of the Hampton Lakes at River Hall Homeowners' Association (the "Hampton Lakes Association") and the Town Hall Association and pay fees to each association which vary in amount based on lot size and are subject to change. Homeowners within River Hall Country Club/Country Club East are members of River Hall Country Club at River Hall Homeowners' Association, and pay fees which vary in amount based on lot size and are subject to change. Currently, for homeowners with 50' lots, the Hampton Lakes Association annual fee is \$1,740.20,

and the Town Hall Association annual fee is \$900.00. Homeowners with 55' lots in River Hall Country Club have an annual Association fee of \$8,825.56, and the Town Hall Association annual fee is \$900.00.

The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate imposed on taxable properties in the District for the 2022 tax year was approximately 13.4718 mills. These taxes would be payable in addition to the 2023A Assessments and any other assessments levied by the District, which amount is subject to change. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School District of Lee County, Florida may each levy ad valorem taxes 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.

Education

The public schools for children residing in the Development are expected to be River Hall Elementary School, Alva Middle School and Riverdale High School, which are located adjacent to the Development and approximately 8 miles and 1.6 miles away from the Development, respectively, and which were rated C, B and C, respectively, by the Florida Department of Education in 2022. The Lee 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 Landowners as being competitive with the Development, because of their proximity to the Development, price ranges and product types: Portico and Babcock Ranch.

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

Landowners' Agreements

As previously noted, the Landowners will enter into a completion agreement that will obligate the Landowners to complete any portions of the 2023A Project not funded with proceeds of the 2023A Bonds.

In addition, the Landowners will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights (the "Collateral Assignment"), pursuant to which the Landowners will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowners, development rights relating the 2023A Project. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the 2023A Assessments as a result of the Landowners' 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 2023A Project.

The Landowners will also enter into a True-Up Agreement in connection with their obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in Assessment Area 4 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 Landowners are unsecured obligations. The Landowners are special-purpose entities whose assets consist primarily of their respective interests in the Development. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" and "THE LANDOWNERS" herein for more information regarding the Landowners.

THE LANDOWNERS

All of the land subject to the 2023A Assessments is owned by RH Venture II, LLC, and RH Venture III, both Florida limited liability companies (the "Landowners"). Each of the Landowners is wholly-owned by River Hall Investment Group, LLC, a Delaware limited liability company ("RHIG"). The members of RHIG are River Hall Recovery Acquisition, LLC, a Delaware limited liability company, and RH Venture I, LLC, a Florida limited liability company ("RH Venture I"), which is also the manager of the Landowners.

RH Venture I is wholly owned by GreenPointe Ventures, LLC, a Delaware limited liability company ("GreenPointe Ventures"). GreenPointe Holdings LLC, a Florida limited liability company ("GreenPointe"), is the majority owner of GreenPointe Ventures.

GreenPointe Holdings was founded by Edward E. Burr in 2008 with a charge to create livable communities of lasting value that fit the needs of today's homebuyers. Prior to leading GreenPointe Holdings, Burr founded the LandMar Group, LLC in 1987 and led the company's creation of master-planned, award-winning communities in Florida and coastal Georgia. Under his leadership, LandMar acquired, designed, entitled and developed more than 30 master-planned communities and developments. GreenPointe and each of its divisions are led by veterans of land and community development, homebuilding, lifestyle and amenities management, equity and debt financing, and infrastructure development. The GreenPointe team's collective experience includes raising and investing more than \$800 million to develop 100,000 acres of land, build 80,000 home sites and construct 30,000 homes. GreenPointe and its partners own fifteen (15) Florida communities and developments totaling approximately 20,000 lots and several hundred acres of land entitled for multi-family residential, retail and office use.

None of the entities listed above are guaranteeing the payment of the 2023A Bonds or 2023A Assessments. None of the entities listed herein, other than the Landowners, has entered into any agreements in connection with the issuance of the 2023A Bonds.

TAX MATTERS

General

The Internal Revenue Code of 1986, as amended (the "Code") establishes certain requirements which must be met subsequent to the issuance and delivery of the 2023A 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 2023A Bonds to be included in gross income for federal income tax purposes retroactive to the date of issue of the 2023A Bonds. The District has covenanted in the Indenture to comply with each such requirement.

In the opinion of Akerman LLP, Bond Counsel, the proposed form of which is included as APPENDIX B hereto, assuming continuing compliance with certain covenants by the District and the accuracy of certain representations of the District, under existing statutes, regulations, published rulings, and judicial decisions, interest on the 2023A Bonds is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax; however, such interest is taken into account in determining the "adjusted financial statement income" (as defined in Section 56A of the Code) of "applicable corporations" (as defined in Section 59 of the Code) for the

purposes of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022.

The opinion on federal tax matters will be based on and will assume the accuracy of certain representations and certifications and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the 2023A Bonds are and will remain obligations the interest on which is excluded from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of these certifications and representations.

Bond Counsel's opinions are based on existing law, which is subject to change. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service ("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.

The IRS has established an on-going program to audit tax-exempt obligations to determine whether interest on such obligations is includible in gross income for federal income tax purposes. Bond Counsel cannot predict whether the IRS will commence an audit of the 2023A Bonds. Owners of the 2023A Bonds are advised that, if the IRS does audit the 2023A Bonds, under current IRS procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the 2023A Bonds may have limited rights to participate in such procedure. The commencement of an audit could adversely affect the market value and liquidity of the 2023A Bonds until the audit is concluded, regardless of the ultimate outcome.

Collateral Tax Consequences

Prospective purchasers of the 2023A Bonds should be aware that ownership of, accrual or receipt of interest on or disposition of tax-exempt obligations, such as the 2023A Bonds, may have additional federal income tax consequences for certain taxpayers, including, without limitation, recipients of certain Social Security and certain Railroad Retirement benefits, taxpayers that may be deemed to have incurred or continued indebtedness to purchase or carry tax-exempt obligations, and certain S corporations.

Bond Counsel expresses no opinion regarding any federal tax consequences other than its opinion with regard to the exclusion of interest on the 2023A Bonds from gross income pursuant to Section 103 of the Code and the treatment of interest for purposes of the federal alternative minimum tax. Prospective purchasers of the 2023A Bonds should consult their tax advisors with respect to all other tax consequences (including, but not limited to, those listed above) of holding the 2023A Bonds. Prospective purchasers of the 2023A Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters

In the opinion of Bond Counsel, interest on the 2023A Bonds is exempt from taxation under the existing laws of the State of Florida, except as to estate taxes and taxes imposed under Chapter 220, *Florida Statutes*, on interest, income or profits on debt obligations owned by corporations, as defined in said Chapter 220, *Florida Statutes*.

Interest on the 2023A Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the 2023A Bonds should consult their tax advisors as to the income tax status of interest on the 2023A Bonds, in their particular state or local jurisdictions.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the 2023A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar in nature to the 2023A Bonds. From time to time, legislative proposals may be introduced which could have an effect on both the federal tax consequences resulting from the ownership of the 2023A Bonds and their market value. No assurance can be given that any such legislative proposals, if enacted, would not apply to, or would not have an adverse effect upon, the 2023A Bonds. Prospective purchasers of the 2023A Bonds should consult their tax advisors as to the impact of any pending or proposed legislation. Bond Counsel has not undertaken to advise in the future whether any events after the date of issuance of the 2023A Bonds may affect the tax status of interest on the 2023A Bonds.

Original Issue Discount

Under the Code, the difference between the maturity amount of the 2023A Bonds maturing on _____ (the "Discount Bonds"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity and if applicable, interest rate, was sold is "original issue discount." For federal income tax purposes, original issue discount will accrue over the term of the Discount Bonds at a constant interest rate compounded on each interest payment date (or over a shorter permitted compounding interval selected by the Owner). A purchaser who acquires the Discount Bonds in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bonds subject to the same considerations discussed above and will increase his or her adjusted basis in the Discount Bonds by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bonds. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondholders of the Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bonds and with respect to the state and local tax consequences of owning and disposing of the Discount Bonds.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the 2023A Bonds is subject to information reporting to the Internal Revenue Service. Interest paid on tax-exempt bonds such as the 2023A Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2023A Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of 2023A Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the 2023A Bonds and proceeds from the sale of 2023A Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of 2023A Bonds. This withholding generally applies if the owner of 2023A Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the 2023A Bonds may also wish to consult with their tax

advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

AGREEMENT BY THE STATE

Under the Act, the State of Florida pledges to the holders of any bonds issued thereunder, including the 2023A 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 2023A Bonds issued by community development districts 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 2023A 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 2023A Bonds. Investment in the 2023A 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 2023A 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 2023A Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2023A 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, seeking to restrain or enjoin the issuance, sale, execution or delivery of the 2023A Bonds, or in any way contesting or affecting (i) the validity of the 2023A 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 2023A Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

The Landowners

The Landowners have represented that there is no litigation of any nature now pending or, to the knowledge of the Landowners, threatened, which could reasonably be expected to have a material and adverse effect upon the completion of the 2023A Project or the development of the lands in Assessment Area 4 of the District as described herein, materially and adversely affect the ability of the Landowners to pay the 2023A Assessments imposed against the land within Assessment Area 4 of the District owned by the respective Landowners or materially and adversely affect the ability of the Landowners to perform their various obligations described in this Limited Offering Memorandum.

CONTINGENT FEES

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

NO RATING

No application for a rating for the 2023A Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the 2023A 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 Barraco and Associates, Inc., Fort Myers, Florida, the Project 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 2023A Bonds, both the Project 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 F attached hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX F, commencing with the audit for the District fiscal year ending September 30, 2023. Attached hereto as APPENDIX E are copies of the District's audited financial statements for the District's fiscal years ended September 30, 2022, and September 30, 2021, as well as a copy of the District's unaudited monthly financial statements for the period ended September 30, 2023. Two years of audited financial statements have been included as required by Florida Administrative Rule 69W-400.003(h) due to the District's previous default on the payment of principal and interest on its Prior Bonds. See "THE DISTRICT – Outstanding Indebtedness and Prior Bonds Defaults" herein. The audited financial statements, including the auditor's report including therein, have been included in this

Limited Offering Memorandum as publicly available documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The 2023A Bonds are not general obligation bonds of the District and are payable solely from the 2023A Pledged Revenues.

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

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the 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 previously defaulted or was late on certain payments of principal and interest with respect to the 2005 Bonds and the 2011A-2 Bonds. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" herein for more information.

CONTINUING DISCLOSURE

The District and the Landowners will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement"), the proposed form of which is set forth in the attached APPENDIX F, for the benefit of the 2023A Bondholders (including owners of beneficial interests in such Bonds) to provide certain financial information and operating data relating to the District and Assessment Area Three and Assessment Area 4 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 F: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Landowners or any other future obligated party to comply with their 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 2023A Bondholders (including owners of beneficial interests in such Bonds) 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 2005 Bonds, 2011 Bonds, 2020A Bonds and 2021A Bonds. A review of filings made pursuant to such prior undertakings indicates that certain filings were not timely made and that notice of such late filings was not timely provided.

RH Venture II has previously entered into a continuing disclosure undertaking pursuant to the Rule, with respect to the District's 2020A Bonds. A review of filings made pursuant to such prior undertaking indicates that certain filings required to be made by RH Venture II were not correctly filed and that corrective filings were not always timely filed. RH Venture III has not previously entered into any continuing disclosure undertakings pursuant to the Rule.

The District and the Landowners fully anticipate satisfying all future disclosure obligations required pursuant to the Disclosure Agreement and the Rule. The District will appoint Wrathell, Hunt & Associates, LLC (the "Dissemination Agent"), as dissemination agent under the Disclosure Agreement for the 2023A Bonds.

UNDERWRITING

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the 2023A Bonds from the District at a purchase price of \$_____ (par amount of the 2023A Bonds, less [an original issue discount of \$_____ and an] Underwriter's discount of \$_____). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the 2023A Bonds if any 2023A Bonds are purchased.

The Underwriter intends to offer the 2023A 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 2023A 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 Twentieth Judicial Circuit Court of Florida in and for the County, rendered on August 29, 2005. 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 2023A Bonds are subject to the approval of Akerman LLP, Jacksonville, Florida, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A. Tampa, Florida. Certain legal matters will be passed upon for the District by its counsel, Coleman, Yovanovich & Koester, P.A., Naples, Florida. Certain legal matters will be passed upon for the Landowners by their general counsel, Patricia Nolan, Esq., Jacksonville, Florida.

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 of such. 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.

[Remainder of page intentionally left blank.]

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 2023A 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 2023A 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 2023A 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.

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

By: _____
Chairperson, Board of Supervisors

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APPENDIX A

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

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MASTER TRUST INDENTURE
RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
TO
WACHOVIA BANK, NATIONAL ASSOCIATION, AS
TRUSTEE

Dated as of October 1, 2005

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EXHIBIT A

FORM OF REQUISITION

MASTER TRUST INDENTURE

THIS IS A MASTER TRUST INDENTURE, dated as of October 1, 2005, by and between **RIVER HALL COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government organized and existing under the laws of the State of Florida (the "District"), and **WACHOVIA BANK, NATIONAL ASSOCIATION**, as trustee (the "Trustee"), a national banking association and having the authority to exercise corporate trust powers, with its designated corporate trust office located at 200 South Biscayne Boulevard, 14th Floor, Miami, Florida 33131, Attention: Corporate Trust Department.

WHEREAS, the District is a community development district duly organized and existing under the provisions of Chapter 190, Florida Statutes, as amended (the "Act"), for the purpose, among other things, of financing and managing the acquisition, construction, installation, maintenance, and operation of the major infrastructure within and without the boundaries of the District; and

WHEREAS, the District has the power and authority under the Act to issue special assessment bonds and revenue bonds and to use the proceeds thereof to finance the cost of acquiring and constructing assessable improvements (as defined in the Act) and, by virtue of Section 190.022 of the Act, to levy and collect special assessments therefor as provided in Chapter 170, Florida Statutes, as amended, and to levy and collect user charges and fees therefor as provided in Section 190.011, Florida Statutes, as amended; and

WHEREAS, the District has the power and authority under and by virtue of Section 190.021 of the Act to levy and collect Benefit Special Assessments (hereinafter defined); and

WHEREAS, the District has found and determined and does hereby find and determine, that acquisition and construction of the Series Projects (hereafter defined) is and will be necessary and desirable in serving the District's goal of properly managing the acquisition, construction, installation and operation of portions of the infrastructure within and without the boundaries of the District; and

WHEREAS, the execution and delivery of the Bonds and of this Master Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Master Indenture a valid and binding agreement and a valid and binding lien on the Trust Estate (hereinafter defined) have been done;

NOW, THEREFORE, THIS MASTER TRUST INDENTURE WITNESSETH:

GRANTING CLAUSES

That the District, in consideration of the premises and acceptance by the Trustee of the trusts hereby created and the purchase and acceptance of the Bonds (hereafter defined) by the Owners (hereafter defined), and of the sum of ten dollars (\$ 10.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Indenture, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds of a Series (hereafter defined) issued hereunder according to their tenor and effect and to secure the performance and observance by the District of all of the covenants expressed or implied herein, in the Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does hereby assign and grant a security interest in the following (herein called the "Trust Estate") to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the District herein set forth: (i) the Pledged Revenues (hereinafter defined) and Pledged Funds (hereinafter defined); and (ii) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, granted or delivered to, or deposited with, the Trustee as security for any Series of Bonds issued pursuant to this Master Indenture by the District or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of the Supplemental Indenture securing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of such Series of Bonds and the interest and premium, if

any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that except as otherwise provided herein or in a Supplemental Indenture the Trust Estate established and held hereunder for Bonds of a Series shall be held separate and in trust solely for the benefit of the Owners of the Bonds of such Series and for no other Series;

TO HAVE AND TO HOLD the Trust Estate, whether now owned or held or hereafter acquired, forever;

IN TRUST NEVERTHELESS, upon the terms and trusts herein set forth (a) for the equal and proportionate benefit and security of all present and future Owners of the Bonds of a Series, without preference of any Bond of such Series over any other Bond of such Series, (b) for enforcement of the payment of the Bonds of a Series, in accordance with their terms and the terms of this Master Indenture and the Supplemental Indenture authorizing the issuance of such Series of Bonds, and all other sums payable hereunder, under the Supplemental Indenture authorizing such Series of Bonds or on the Bonds of such Series, and (c) for the enforcement of and compliance with the obligations, covenants and conditions of this Master Indenture except as otherwise expressly provided herein, as if all the Bonds at any time Outstanding (hereafter defined) had been authenticated, executed and delivered simultaneously with the execution and delivery of this Master Indenture, all as herein set forth.

IT IS HEREBY COVENANTED, DECLARED AND AGREED

(a) that this Master Indenture creates a continuing lien equally and ratably to secure the payment in full of the principal of, premium, if any, and interest on all Bonds of a Series which may from time to time be Outstanding hereunder, except as otherwise expressly provided herein, (b) that the Trust Estate shall immediately be subject to the lien of this pledge and assignment without any physical delivery thereof or further act, (c) that the lien of this pledge and assignment shall be a first lien and shall be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the District, irrespective of whether such parties have notice thereof, and (d) that the Bonds of a Series are to be issued, authenticated and delivered, and that the Trust Estate is to be held, dealt with, and disposed of by the Trustee, upon and subject to the terms, covenants, conditions, uses, agreements and trusts set forth in this Master Indenture and the District covenants and agrees with the Trustee, for

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number of days elapsed (determined on the basis of a three hundred sixty (360) day year comprised of twelve (12) thirty (30) day months) from the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance), by (y) one hundred eighty (180). A table of Accreted Values for the Capital Appreciation Bonds shall be incorporated in a Supplemental Indenture executed by the District upon issuance of any Capital Appreciation Bonds.

"Acquisition and Construction Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Act" shall mean Chapter 190, Florida Statutes, as amended from time to time.

"Additional Bonds" shall mean Bonds of a Series authenticated and delivered pursuant to the terms of a Supplemental Indenture providing for the issuance of *pari passu* Additional Bonds of such Series.

"Additional Series Project" shall mean the acquisition and/or construction of any additions, extensions, improvements and betterments to and reconstructions of a Series Project to be financed, in whole or in part, from the proceeds of any Subordinated Debt.

"Amortization Installments" shall mean the moneys required to be deposited in the Redemption Account within the Debt Service Fund for the purpose of redeeming and paying when due any Term Bonds, the specific amounts and dates of such deposits to be set forth in a Supplemental Indenture.

"Assessments" shall mean all assessments levied and collected by or on behalf of the District pursuant to Section 190.022 of the Act as amended from time to time, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170 Florida Statutes, as amended, if any such interest is collected by or on behalf of the Governing Body, and any applicable penalties collected by or on behalf of the District, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Delinquent Assessments and which are referred to as such and pledged to a Series of Bonds pursuant to the

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the equal and proportionate benefit of the respective Owners from time to time of the Bonds of each respective Series, as follows:

**ARTICLE I
DEFINITIONS**

Section 101. Meaning of Words and Terms. The following words and terms used in this Master Indenture shall have the following meanings, unless some other meaning is plainly intended:

"Accountant" shall mean the independent certified public accountant or independent certified public accounting firm retained by the District to perform the duties of the Accountant under this Master Indenture.

"Accountant's Certificate" shall mean an opinion signed by an independent certified public accountant or firm of certified public accountants (which may be the Accountants) from time to time selected by the District.

"Accounts" shall mean all accounts created pursuant to Section 502 hereof except amounts on deposit in the Series Rebate Account within the Rebate Fund.

"Accreted Value" shall mean, as of the date of computation with respect to any Capital Appreciation Bonds, an amount (truncated to three (3) decimal places) equal to the original principal amount of such Capital Appreciation Bonds at the date of issuance plus the interest accrued on such Bonds from the date of original issuance of such Capital Appreciation Bonds to the date of computation, such interest to accrue at the rate of interest per annum of the Capital Appreciation Bonds (or in accordance with a table of compound accreted values set forth in such Capital Appreciation Bonds), compounded semi-annually on each Interest Payment Date; provided, however, that if the date with respect to which any such computation is made is not an Interest Payment Date, the Accreted Value of any Bond as of such date shall be the amount determined by compounding the Accreted Value of such Bond as of the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance) at the rate of interest per annum of the Capital Appreciation Bonds for the partial semi-annual compounding period determined by dividing (x) the

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Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Authorized Denomination" shall, except as provided in any Supplemental Indenture relating to a Series of Bonds, mean the denomination of \$5,000 or any integral multiple thereof.

"Authorized Officer" shall mean any person authorized by the District in writing directed to the Trustee to perform the act or sign the document in question.

"Benefit Special Assessments" shall mean benefit special assessments levied and collected in accordance with Section 190.021(2), Florida Statutes, as amended from time to time, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Benefit Special Assessments which are not paid in full when due and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

"Bond Counsel" shall mean an attorney or firm of attorneys of nationally recognized standing in the field of law relating to municipal bonds selected by the District.

"Bond Registrar" or "Registrar" shall mean the bank or trust company designated as such by Supplemental Indenture with respect to a Series of Bonds for the purpose of maintaining the registry of the District reflecting the names, addresses, and other identifying information of Owners of Bonds of such Series.

"Bond Year" shall mean, unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, the period commencing on the first day of May in each year and ending on the last day of April of the following year.

"Bonds" shall mean the Outstanding Bonds of all Series.

"Business Day" shall mean any day excluding Saturday, Sunday or any other day on which banks in the cities in which the designated corporate trust office of the Trustee or the Paying Agent are located are authorized or required by law or other governmental action to close and on which the Trustee or Paying Agent, or both, is closed.

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"Capital Appreciation Bonds" shall mean Bonds issued under the Indenture and any Supplemental Indenture as to which interest is compounded periodically on each of the applicable periodic dates designated for compounding and payable in an amount equal to the then-current Accreted Value only at the maturity or earlier redemption thereof, all as so designated in a Supplemental Indenture of the District providing for the issuance thereof.

"Capitalized Interest" shall mean, with respect to the interest due or to be due on a Series of Bonds prior to, during and for a period not exceeding one year after the completion of a Series Project to be funded by such Series, all or part of such interest which will be paid, or is expected to be paid, from the proceeds of such Series.

"Capitalized Interest Account" shall mean any Capitalized Interest Account to be established within a Series Debt Service Account by Supplemental Indenture with respect to any Series of Bonds issued under this Master Indenture, as authorized pursuant to this Master Indenture.

"Chairman" shall mean the Chairman of the Governing Body of the District or his or her designee or the person succeeding to his or her principal functions.

"Code" shall mean the Internal Revenue Code of 1986, as amended, or any successor provisions thereto and the regulations promulgated thereunder or under the Internal Revenue Code of 1954, as amended, if applicable, or any successor provisions thereto.

"Completion Bonds" shall mean Bonds issued pursuant to a Supplemental Indenture ranking on a parity with the Series of Bonds issued under such Supplemental Indenture, the proceeds of which are to be used to complete the Series Project.

"Connection Fees" shall mean all fees and charges assessed by the District to users for the actual costs of connecting to a utility system of the District.

"Consulting Engineers" shall mean the independent engineer or engineering firm or corporation employed by the District in connection with any Series Project to perform and carry out the duties of the Consulting Engineer under this Indenture or any Supplemental Indenture.

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the District as a depository of moneys subject to the provisions of this Master Indenture.

"District" shall mean the River Hall Community Development District, a community development district established pursuant to the Act or any successor thereto which succeeds to the obligations of the District hereunder.

"Engineers' Certificate" shall mean a certificate of the Consulting Engineers or of such other engineer or firm of engineers having a favorable repute for skill and experience in the engineering matters with respect to which such certification is required by this Master Indenture.

"Federal Securities" shall mean, to the extent permitted by law for investment as contemplated in this Master Indenture and any Supplemental Indenture, (i) Government Obligations, (ii) any Tax Exempt Obligations which are fully secured as to principal and interest by an irrevocable pledge of Government Obligations, which Government Obligations are segregated in trust and pledged for the benefit of the holders of the Tax Exempt Obligations, (iii) certificates of ownership of the principal or interest of Government Obligations, which Government Obligations are held in trust and (iv) investment agreements at least 100% collateralized by obligations described in clauses (i), (ii) or (iii) above.

"Fiscal Year" shall mean the fiscal year of the District in effect from time to time, which shall initially mean the period commencing on the first day of October of any year and ending on the last day of September of the following year.

"Funds" shall mean all funds, except the Rebate Fund, created pursuant to Section 502 hereof.

"Governing Body" shall mean the Board of Supervisors of the District.

"Government Obligations" shall mean direct obligations of, or obligations the payment of which is unconditionally guaranteed by, the United States of America.

"Indenture" shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or

"Cost" as applied to a Series Project or Additional Series Project, shall include the cost of acquisition and construction thereof and all obligations and expenses relating thereto including, but not limited to, those items of cost which are set forth in Section 403 hereof.

"Credit or Liquidity Facility" shall mean a letter of credit, a municipal bond insurance policy, a surety bond or other similar agreement issued by a banking institution or other entity satisfactory to the District and providing for the payment of the principal of, interest on or purchase price of a Series of Bonds or any alternate or substitute Credit or Liquidity Facility if then in effect.

"Current Interest Bonds" shall mean Bonds of a Series the interest on which is payable at least annually.

"Date of Completion" with respect to a Series Project or Additional Series installed Project shall mean: (i) the date upon which such Project and all components thereof have been acquired or constructed and are capable of performing the functions for which they were intended, as evidenced by a certificate of the Consulting Engineer filed with the Trustee and the District; or (ii) the date on which the District determines, upon the recommendation of or in consultation with the Consulting Engineer, that it cannot complete such Project in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the Consulting Engineer of the District filed with the Trustee and the District; provided that in each case such certificate of the Consulting Engineer shall set forth the amount of all Costs of such Project which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed.

"Debt Service" shall mean collectively the principal (including Amortization Installments), interest, and redemption premium, if any, payable with respect to the Bonds.

"Debt Service Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Delinquent Assessments" shall mean, collectively, any and all installments of any Assessments which are not paid within thirty (30) days of the date on which such installments are due and payable.

"Depository" shall mean any bank or trust company duly authorized by law to engage in the banking business and designated by

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indentures, and, shall mean when used with respect to a Series of Bonds issued hereunder, this Master Indenture, as amended and supplemented by the Supplemental Indenture relating to such Series of Bonds.

"Insurer" shall mean the issuer of any municipal bond insurance policy insuring the timely payment of the principal of and interest on Bonds or any Series of Bonds.

"Interest Payment Date" shall mean the dates specified in a Supplemental Indenture with respect to a Series of Bonds upon which the principal of and/or interest on Bonds of such Series shall be due and payable in each Bond Year.

"Investment Obligations" shall mean and include, except as otherwise provided in the Supplemental Indenture providing of the authorization of Notes or Bonds, mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

(i) Government Obligations;

(ii) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government - sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the United States of America; Bank for Cooperatives; Federal Intermediate Credit Banks; Federal Financing Bank; Federal Home Loan Bank System; Export-Import Bank of the United States; Farmers Home Administration; Small Business Administration; Inter-American Development Bank; International Bank for Reconstruction and Development; Federal Land Banks; the Federal National Mortgage Association; the Government National Mortgage Association; the Tennessee Valley Authority; or the Washington Metropolitan Area Transit Authority;

(iii) Direct and general obligations of any state of the United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, if at the time of their purchase such obligations are rated in either of the two highest rating categories

without regard to gradations within any such categories by either S&P or Moody's;

(iv) Negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements issued by any bank or trust company, including the Trustee, or any federal savings and loan association, the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC's Savings Association Insurance Fund), which securities, to the extent that the principal thereof exceeds the maximum amount insurable by the Federal Deposit Insurance Corporation and, therefore, are not so insured, shall be fully secured to the extent permitted by law as to principal and interest by the securities listed in subsection (i), (ii) or (iii) above; provided, however, that with respect to securities used to secure securities hereunder, in addition to direct and general obligations of any political subdivision or instrumentality of any such state, to the payment of the principal of and interest on which the full faith and credit of such subdivision or instrumentality is pledged if such obligations are initially rated in one of the three highest rating categories without regard to gradations within any such categories by either S&P or Moody's;

(v) Bank or broker repurchase agreements fully secured by securities specified in (i) or (ii) above, which may include repurchase agreements with the commercial banking department of the Trustee, provided that such securities are deposited with the Trustee, with a Federal Reserve Bank or with a bank or trust company (other than the seller of such securities) having a combined capital and surplus of not less than \$100,000,000;

(vi) A promissory note of a bank holding company rated in either of the two highest rating categories without regard to gradations within any such categories by either S&P or Moody's;

(vii) Any short term government fund or any money market fund whose assets consist of (i), (ii) and (iii) above;

(viii) Commercial paper which at the time of purchase is rated in the highest rating category without regard to gradations with such category by either S&P or Moody's;

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nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"Option Bonds" shall mean Current Interest Bonds, which may be either Serial or Term Bonds, which by their terms may be tendered by and at the option of the Owner for purchase prior to the stated maturity thereof.

"Outstanding" when used with reference to Bonds, shall mean, as of a particular date, all Bonds theretofore authenticated and delivered under this Master Indenture, except:

(i) Bonds theretofore canceled by the Trustee or delivered to the Trustee for cancellation;

(ii) Bonds (or portions of Bonds) for the payment or redemption of which moneys, equal to the principal amount or redemption price thereof, as the case may be, with interest to the date of maturity or redemption date, shall be held in trust under this Master Indenture or Supplemental Indenture with respect to Bonds of any Series and set aside for such payment or redemption (whether at or prior to the maturity or redemption date), provided that if such Bonds (or portions of Bonds) are to be redeemed, notice of such redemption shall have been given or provision satisfactory to the Trustee shall have been made for the giving of such notice as provided in Article III hereof or in the Supplemental Indenture relating to the Bonds of any Series;

(iii) Bonds in lieu of or in substitution for which other Bonds shall have been authenticated and delivered pursuant to this Master Indenture and the Supplemental Indenture with respect to Bonds of a Series unless proof satisfactory to the Trustee is presented that any such Bonds are held by a bona fide purchaser in due course; and

(iv) Bonds paid or deemed to have been paid as provided in this Master Indenture or in a Supplemental Indenture with respect to Bonds of a Series, including Bonds with respect to which payment or provision for payment has been made in accordance with Article XII hereof.

In addition, Bonds actually known by the Trustee to be held by or for the District will not be deemed to be Outstanding for the purposes and within the purview of Article IX and Article XI of this Master Indenture.

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(ix) (A) Certificates evidencing a direct ownership interest in non-callable Government Obligations or in future interest or principal payments thereon held in a custody account by a custodian satisfactory to the Trustee, and (B) obligations of any state of the United States of America or any political subdivision, public instrumentality or public authority of any such state which are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and which are fully secured by and payable solely from non-callable Government Obligations held pursuant to an escrow agreement; and

(x) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws.

"Letter of Credit Agreement" shall mean any financing agreement relating to a Credit Facility for so long as such agreement will be in effect.

"Liquidity Agreement" shall mean any financing agreement relating to a Liquidity Facility for so long as such agreement will be in effect.

"Master Indenture" shall mean this Master Trust Indenture, as amended and supplemented from time to time in accordance with the provisions hereof.

"Maturity Amount" shall mean the amount due at maturity with respect to a Capital Appreciation Bond.

"Maximum Annual Debt Service Requirement" shall mean, at any given time of determination, the greatest amount of principal, interest and Amortization Installments coming due in any current or future Bond Year with regard to the Series of Bonds for which such calculation is made; provided, the amount of interest coming due in any Bond Year shall be reduced to the extent moneys derived from the proceeds of Bonds are used to pay interest in such Bond Year.

"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 is dissolved or liquidated or no longer performs the functions of a securities rating agency, Moody's will be deemed to refer to any other

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"Owner" or "Owners" shall mean the registered owners from time to time of Bonds.

"Paying Agent" shall mean the bank or trust company designated by Supplemental Indenture with respect to a Series of Bonds as the place where Debt Service shall be payable with respect to such Series of Bonds and which accepts the duties of Paying Agent under this Master Indenture and under such Supplemental Indenture.

"Pledged Funds" shall mean all of the Series Pledged Funds.

"Pledged Revenues" shall mean all of the Series Pledged Revenues.

"Prepayments" shall mean any Assessments or Benefit Special Assessments, or portions thereof, which shall be paid to the District prior to the time such amounts become due. Prepayments shall not include any interest paid on such Assessments.

"Principal and Interest Requirement" shall mean with respect to a Series of Bonds, the respective amounts which are required in each Bond Year to provide:

(i) for paying the interest on all Bonds of such Series then Outstanding which is payable in such Bond Year;

(ii) for paying the principal or Maturity Amount of all Serial Bonds of such Series then Outstanding which is payable in such Bond Year; and

(iii) the Amortization Installments on the Term Bonds of such Series of Bonds, if any, payable in such Bond Year.

"Property Appraiser" shall mean the Property Appraiser of Lee County, Florida, or the person succeeding to such officer's principal functions.

"Rebate Amount" shall mean the amount, if any, required to be rebated to the United States pursuant to Section 148(f) of the Internal Revenue Code of 1986, as amended, and the regulations and rulings thereunder.

"Rebate Analyst" shall mean the person or firm selected by the District to calculate the Rebate Amount, which person or firm shall

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either be a firm of attorneys or independent certified public accountants with expertise in the calculation of the Rebate Amount.

"Rebate Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Record Date" shall mean the fifteenth (15th) day of the calendar month next preceding any Debt Service payment date or, in the case of any proposed redemption of Bonds, the fifth (5th) day next preceding the date of mailing of notice of such redemption, or if either of the foregoing days is not a Business Day, then the Business Day immediately preceding such day.

"Redemption Account" shall mean the account so designated in, and created pursuant to, Section 502 hereof.

"Redemption Price" shall mean the principal of, premium, if any, and interest accrued to the date fixed for redemption of any Bond called for redemption pursuant to the provisions thereof, hereof and of the Supplemental Indenture pursuant to which such Bond is issued.

"Refunding Bonds" shall mean Bonds issued pursuant to provisions of this Master Indenture, the proceeds of which are used to refund one or more Series of Outstanding Bonds.

"Reserve Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"Revenue Fund" shall mean the fund so designated in, and created pursuant to, Section 502 hereof.

"S&P" shall mean Standard & Poor's Rating Group, a division of McGraw Hill, Inc., a corporation organized and existing under the laws of the State of New York, its successors and its assigns, and, if such corporation is dissolved or liquidated or no longer performs the functions of a securities rating agency, S&P will be deemed to refer to any other nationally recognized securities rating agency designated by the District by written notice to the Trustee.

"Secretary" shall mean the Secretary or any Assistant Secretary to the Governing Body, or his or her designee or the person succeeding to his or her principal functions.

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projects to be located within or without the District for the benefit of the District to be financed with all or a part of the proceeds of a Series of Bonds as shall be described in the Supplemental Indenture authorizing such Series of Bonds.

"Series Rebate Account" shall mean the account in the Rebate Fund with respect to a Series of Bonds so designated in, and created pursuant to, Supplemental Indenture.

"Series Reserve Account" shall mean the Reserve Account for the Series of Bonds established in the Reserve Fund by Supplemental Indenture in an amount equal to the Series Reserve Account Requirement for such Series of Bonds.

"Series Reserve Account Requirement" shall mean the amount of money or other security which may be in the form of a reserve fund insurance policy or other security as may be required by the terms of a Supplemental Indenture to be deposited in or credited to a Series Reserve Account for each Series of Bonds provided, however, that unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, as of any date of calculation for a particular Series Reserve Account, the "Series Reserve Account Requirement" shall be an amount equal to the lesser of: (A) Maximum Annual Debt Service Requirement for all Outstanding Bonds of such Series, (B) 125% of the average annual debt service for all Outstanding Bonds of such Series, or (C) the aggregate of 10% of the proceeds of the Bonds of such Series calculated as of the date of original issuance thereof. In computing the Series Reserve Account Requirement in respect of any Series of Bonds that constitute Variable Rate Bonds, the interest rate on such Bonds shall be assumed to be the greater of: (1) 110% of the daily average interest rate on such Variable Rate Bonds during the 12 months ending with the month preceding the date of calculation, or such shorter period of time that such Series of Bonds shall have been Outstanding, or (2) the actual rate of interest borne by such Variable Rate Bonds on such date of calculation; provided, in no event shall the Series Reserve Account Requirement as adjusted on such date of calculation exceed the lesser of the amounts specified in the immediately preceding sentence. In computing the Series Reserve Account Requirement in accordance with clause (C) of this definition in respect of any Capital Appreciation Bonds, the principal amount of such Bonds shall be the original principal amount thereof, not the Accreted Value.

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"Serial Bonds" shall mean Bonds (other than Term Bonds) that mature in annual or semi-annual installments.

"Series" shall mean all of the Bonds authenticated and delivered on original issuance of a stipulated aggregate principal amount in a simultaneous transaction under and pursuant to the same Supplemental Indenture and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to this Master Indenture and such 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 District upon original issuance.

"Series Acquisition and Construction Account" shall mean the account within the Acquisition and Construction Fund with respect to each Series of Bonds so designated in, and created pursuant to, Supplemental Indenture.

"Series Interest Account" shall mean the account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 502 hereof.

"Series Pledged Funds" shall mean all amounts on deposit from time to time in the Funds and Accounts and designated in the Supplemental Indenture relating to such Series of Bonds as pledged to the payment of such Series of Bonds; provided, however, such term shall not include any amounts on deposit in a Series Rebate Account in the Rebate Fund.

"Series Pledged Revenues" shall mean the revenues designated as such by Supplemental Indenture and which shall constitute the security for and source of payment of a Series of Bonds and may consist of Assessments, Benefit Special Assessment, Connection Fees or other user fees or other revenues or combinations thereof imposed or levied by the District in accordance with the Act.

"Series Principal Account" shall mean the account with respect to a Series of Bonds established within the Debt Service Fund so designated in, and created pursuant to, Section 502 hereof.

"Series Project" or **"Series Projects"** shall mean the acquisition, construction, equipping and/or improvement of capital

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"Series Revenue Account" shall mean the Revenue Account for a Series of Bonds established in the Revenue Fund by Supplemental Indenture for such Series of Bonds.

"Subordinate Debt" shall mean indebtedness secured hereby or by any Supplemental Indenture which is by its terms expressly subordinate and inferior hereto both in lien and right of payment.

"Supplemental Indenture" shall mean an indenture supplemental hereto authorizing the issuance of a Series of Bonds hereunder and establishing the terms thereof and the security therefor and shall also mean any indenture supplementary hereto entered into for the purpose of amending the terms and provisions hereof with respect to all Bonds in accordance with Article XI hereof.

"Taxable Bonds" shall mean Bonds of a Series which are not Tax Exempt Bonds.

"Tax Collector" shall mean the Tax Collector of Lee County, Florida, appointed by the chief financial officer of the County of Lee, Florida, or the person succeeding to such officer's principal functions.

"Tax Exempt Bonds" shall mean Bonds of a Series the interest on which, in the opinion of Bond Counsel on the date of original issuance thereof, is excludable from gross income for federal income tax purposes.

"Tax Exempt Obligations" shall mean any bond, note or other obligation issued by any person, the interest on which is excludable from gross income for federal income tax purposes.

"Tax Regulatory Covenants" shall mean the Tax Regulatory Covenants of the District contained in the Supplemental Indenture authorizing the issuance of a Series of Tax Exempt Bonds, setting forth the covenants of the District necessary for the preservation of the excludability of interest thereon from gross income for federal income tax purposes, as such covenants shall be amended from time to time upon written instructions from Bond Counsel.

"Term Bonds" shall mean Bonds that mature on one date and that are subject to mandatory redemption from Amortization Installments or are subject to extraordinary mandatory or mandatory redemption upon receipt of unscheduled Pledged Revenues.

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"Time Deposits" shall mean time deposits, certificates of deposit or similar arrangements with any bank or trust company, including the Trustee or an affiliate thereof, which is a member of the Federal Deposit Insurance Corporation and any Federal or State of Florida savings and loan association which is a member of the Federal Savings and Loan Insurance Corporation or its successors and which are secured or insured in the manner required by Florida law.

"Trust Estate" shall have the meaning ascribed to such term in the granting clauses hereof, including, but not limited to, the Pledged Revenues and Pledged Funds.

"Trustee" shall mean Wachovia Bank, National Association with its designated office in Miami, Florida, and any successor trustee appointed or serving pursuant to Article VI hereof.

"Variable Rate Bonds" shall mean Current Interest Bonds, which may be either Serial Bonds or Term Bonds, issued with a variable, adjustable, convertible or other similar interest rate which is not fixed in percentage for the entire term thereof at the date of issue, which Bonds may also be Option Bonds.

Section 102. Rules of Construction. Words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders. Unless the context shall otherwise indicate, the words "Bond," "Owner," "person," "Paying Agent," and "Bond Registrar" shall include the plural as well as the singular number and the word "person" shall mean any individual, corporation, partnership, joint venture, association, joint stock company, trust, unincorporated organization or government or any agency or political subdivision thereof. All references to Florida Statutes or other provisions of Florida law shall be deemed to include any and all amendments thereto.

ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS

Section 201. Issuance of Bonds. For the purpose of providing funds for paying all or part of the Cost of a Series Project, Bonds of a Series, without limitation as to aggregate principal amount, may be issued under this Master Indenture subject to the conditions

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(15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of a Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation of the Bond at the designated corporate trust office of the Paying Agent in Miami, Florida. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment in writing prior to the Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner owns not less than \$1,000,000 in aggregate principal amount of the Bonds). Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, interest on a Series of Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

Section 203. Execution and Form of Bonds. The Bonds shall be signed by, or bear the facsimile signature of the Chairman, shall be attested and countersigned by the Secretary, and the certificate of authentication appearing on the face of the Bonds shall be signed by, or bear the facsimile signature of the Trustee; provided, however, that each Bond shall be manually signed by either the Chairman, the Secretary or the Trustee. The official seal of the District shall be imprinted or impressed on the Bonds. In case any officer whose signature or a facsimile of whose signature appears on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid for all purposes the same as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers. The Bonds, and the provisions for registration and reconversion to be endorsed on such Bonds, shall be substantially in the form set forth in a Supplemental Indenture. The Trustee may appoint one or more authenticating agents.

Section 204. Negotiability, Registration and Transfer of Bonds. The District shall cause books for the registration and for the transfer of the Bonds as provided in this Master Indenture to be kept by the Bond Registrar. All Bonds shall be registered as to both principal and interest. Any Bond may be transferred only upon an assignment duly executed by the registered owner or his attorney or

hereinafter provided in Section 207 of this Article. Debt Service on each Series of Bonds shall be payable solely from the Pledged Revenues and Pledged Funds pledged to such Series of Bonds in the Supplemental Indenture authorizing the issuance of such Series of Bonds and, as may be provided in such Supplemental Indenture, all of the provisions of this Master Indenture shall be for the benefit and security of the present and future Owners of such Series of Bonds so issued, without preference, priority or distinction, as to lien or otherwise, of any one Bond of such Series over any other Bond of such Series. The District may also issue from time to time, Additional Bonds, Completion Bonds and Refunding Bonds of a Series under and pursuant to the terms of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 202. Details of Bonds. Bonds of a Series shall be in such denominations, numbered consecutively, shall bear interest from their date until their payment at rates not exceeding the maximum rate performed by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and all be subject to redemption prior to their respective maturities, subject to the limitations hereinafter provided, as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series may be Current Interest Bonds, Variable Rate Bonds, Capital Appreciation Bonds, Option Bonds or any combination thereof and may be secured by a Credit and/or Liquidity Facility, all as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series (or a part of a Series) may be in book-entry form at the option of the District as shall be provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Debt Service shall be payable in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. Interest shall be paid to the registered Owner of Bonds at the close of business on the Record Date for such interest; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 hereof, the payment of interest and principal or Redemption Price or Amortization Installments pursuant hereto shall be made by the Paying Agent to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen

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legal representative in such form as shall be satisfactory to the Bond Registrar, such transfer to be made on such books and endorsed on the Bond by the Bond Registrar. No charge shall be made to any Owner for resignation and transfer as hereinabove provided, but any Owner requesting any such registration or transfer shall pay any tax or other governmental charge required to be paid with respect thereto. The Bond Registrar shall not be required to transfer any Bond during the period between the Record Date and the Interest Payment Date next succeeding the Record Date of such Bond, during the period between the Record Date for the mailing of a notice of redemption and the date of such mailing, nor after such Bond has been selected for redemption. The Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, and each successive Owner, in accepting any of the Bonds, shall be conclusively deemed to have agreed that such Bonds shall be and have all of the qualities and incidents of negotiable instruments under the laws of the State of Florida.

Section 205. Ownership of Bonds. The person in whose name any Bond shall be registered shall be deemed the absolute owner thereof for all purposes, and payment of Debt Service shall be made only to or upon the order of the registered owner thereof or his attorney or legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid. The Trustee, the District, the Bond Registrar and the Paying Agent may deem and treat the registered owner of any Bond as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment thereof and for all other purposes whatsoever, and neither the Trustee, the District, the Bond Registrar nor the Paying Agent shall be affected by any notice to the contrary.

Section 206. Special Obligations. Each Series of Bonds shall be a special and direct obligation of the District. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District within the meaning of the Constitution and laws of Florida. The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or a lien upon any property of the District other than as provided herein or in the Supplemental Indenture authorizing the issuance of such Series of

Bonds. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the District or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds. Rather, Debt Service and any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to such Series of Bonds, all as provided herein and in such Supplemental Indenture.

Section 207. Authorization of Bonds. There shall be issued from time to time in Series, under and secured by this Master Indenture, Bonds without limitation as to aggregate principal amount for the purposes of: (i) paying all or part of the Cost of a Project or Projects or refunding an Outstanding Series of Bonds or any portion thereof; (ii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds; and (iii) paying the costs and expenses of issuing such Series of Bonds.

Each Series of Bonds, upon initial issuance thereof, shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of the following:

(i). an executed and attested original or certified copy of this Master Indenture;

(ii). an executed and attested original or certified copy of the Supplemental Indenture fixing the amount of and security for the Series of Bonds authorized to be issued thereby and establishing, among other things, the dates on which, and the amounts in which, such Series of Bonds will mature (provided that the final maturity date of such Series of Bonds shall be not later than permitted by the Act with respect to such Series of Bonds), designating the Paying Agent and Bond Registrar, fixing the Amortization Installments, if any, for the Term Bonds of such Series, awarding the Series of Bonds, specifying the interest rates or the method for calculating such interest rates with respect to such Series of Bonds, specifying the redemption provisions and prices thereupon, specifying other details of such Series of Bonds, and directing the delivery of such Series of Bonds to or upon

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(ii) an amount equal to the Series Reserve Account Requirement or the initial cost of satisfying the Series Reserve Account Requirement if not satisfied by the deposit of cash, shall be deposited to the credit of the Series Reserve Account; and

(iii) the balance shall be deposited and applied as provided for the Supplemental Indenture authorizing the issuance of such Series of Bonds.

Section 208. Temporary Bonds. Pending delivery of definitive Bonds, there may be executed, authenticated, and delivered to the Owners thereof, in lieu of definitive Bonds and subject to the same limitations and conditions except as to identifying numbers, temporary printed, engraved, lithographed or typewritten Bonds in Authorized Denominations, substantially of the tenor set forth in the Bond form to be set forth in the Supplemental Indenture authorizing such Series of Bonds. The District shall cause definitive Bonds to be prepared and to be executed, endorsed, registered and delivered to the Trustee, and the Trustee, upon presentation to it of any temporary Bond, shall cancel the same or cause the same to be canceled and cause to be authenticated and delivered, in exchange therefor, at the place designated by the Owner, without expense to the Owner, definitive Bonds of the same Series and in the same aggregate principal amount, maturing on the same date and bearing interest or yield to maturity at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits of this Master Indenture and any Supplemental Indenture as the definitive Bonds to be issued hereunder.

Section 209. Mutilated, Destroyed or Lost Bonds. If any Bonds become mutilated or destroyed or lost, the District may cause to be executed, and the District may cause to be delivered, a new Bond in substitution therefor upon the cancellation of such mutilated Bond or in lieu of and in substitution for such Bond destroyed or lost, and upon payment by the Owner of the reasonable expenses and charges of the District and the Trustee in connection therewith and, in the case of a Bond destroyed or lost, upon the Owner filing with the Trustee evidence satisfactory to it that such Bond was destroyed or lost and of his or her ownership thereof, and upon furnishing the District and the Trustee with indemnity satisfactory to them.

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the order of the initial purchaser thereof upon payment of the purchase price therefor set forth in such Supplemental Indenture;

(iii). an opinion of counsel for the District substantially to the effect that the signer is of the opinion that this Master Indenture and the Supplemental Indenture relating to such Series of Bonds have been duly and validly authorized in accordance with the terms hereof and of the Act, and have been duly approved and adopted, that the issuance of such Series of Bonds has been duly authorized, and that this Master Indenture and the Supplemental Indenture constitute binding obligations of the District, enforceable against the District in accordance with their terms except as enforcement thereof may be affected by bankruptcy and other similar laws relating to creditor's rights generally;

(iv). An opinion of Bond Counsel for the District substantially to the effect that the signer is of the opinion that the Bonds of such Series are valid, binding and enforceable obligations of the District and, if such Series of Bonds are not Taxable Bonds, that interest thereon is excludable from gross income of the Owners under the income tax laws of the United States in effect on the date such Series of Bonds are delivered to their initial purchasers.

The Trustee shall be provided with reliance letters with respect to the opinions required in paragraphs (iii) and (iv) above. When the documents mentioned in subsections (i) through (iv) above shall have been received, and when the Bonds of such Series shall have been executed and authenticated as required by this Master Indenture, such Series of Bonds shall be delivered to, or upon the order of, the District, but only upon payment to the Trustee of the purchase price of such Series of Bonds, together with accrued interest, if any, thereon as set forth in a certificate of delivery and payment executed by the Chairman or Vice Chairman of the District.

The proceeds (including accrued interest and any premium) of each Series of Bonds shall be applied as soon as practicable upon delivery thereof to the Trustee as follows:

(i) the amount received as accrued interest on the Bonds shall be deposited to the credit of the Series Interest Account and Capitalized Interest, if any, shall be deposited to the credit of the Series Interest Account;

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Section 210. Pari Passu Obligations Under Credit Agreements. As may be provided for or required in any Supplemental Indenture, the District may incur financial obligations under a Letter of Credit Agreement or a Liquidity Agreement payable pari passu with respect to the lien on the Trust Estate pledged to a Series of Bonds issued under this Master Indenture and a Supplemental Indenture, without meeting any financial test or requirement set forth in this Master Indenture or the corresponding Supplemental Indenture, but only if the Letter of Credit Agreement or Liquidity Agreement supports a related Series of Bonds then being issued which does meet such tests or requirements.

Section 211. Bond Anticipation Notes. Whenever the District shall authorize the issuance of a Series of Bonds, the District may by resolution authorize the issuance of Bond Anticipation Notes in anticipation of the sale of such authorized Series of Bonds in a principal amount not exceeding the principal amount of such Series. The aggregate principal amount of Bonds of such Series and all other Bonds previously authenticated and delivered to pay the Cost of the Series Project or Projects for which the proceeds of the Bond Anticipation Note will be applied shall not exceed such Cost. The interest on such Bond Anticipation Notes may be payable out of the related Series Interest Account to the extent provided in the resolution of the District authorizing such Bond Anticipation Notes. The principal of and interest on such Bond Anticipation Notes and renewals thereof shall be payable from any moneys of the District available therefor or from the proceeds of the sale of the Series of Bonds in anticipation of which such Bond Anticipation Notes are issued. The proceeds of sale of Bond Anticipation Notes shall be applied to the purposes for which the Bonds anticipated by such Bond Anticipation Notes are authorized and shall be deposited in the appropriate Fund or Account established by the Indenture for such purposes; provided, however, that the resolution or resolutions authorizing such Bond Anticipation Notes may provide for the payment of interest on such Bond Anticipation Notes from the proceeds of sale of such Bond Anticipation Notes and for the deposit, in the related Series Interest Account. In the event that the District adopts a resolution authorizing the issuance of Bond Anticipation Notes, the District will promptly furnish to the Trustee a copy of such resolution, certified by an Authorized Officer, together with such information with respect to such Bond Anticipation Notes as the Trustee may reasonably request, including, without limitation,

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information as to the paying agent or agents for such Bond Anticipation Notes. The Trustee shall have no duties or obligations to the holders of such Bond Anticipation Notes unless specifically so authorized by the resolution of the District authorizing the issuance of such Bond Anticipation Notes and unless the Trustee accepts in writing such duties and obligations.

Section 212. Tax Status of Bonds. Any Series of Bonds issued under this Master Indenture either (i) may be issued as Tax Exempt Bonds, or (ii) may be issued as Taxable Bonds. The intended tax status of any Series of Bonds to be issued may be referenced in any Supplemental Indenture authorizing the issuance of such Series of Bonds.

ARTICLE III REDEMPTION OF BONDS

Section 301. Redemption Generally. The Bonds of any Series shall be subject to redemption, either in whole on any date or in part on any Interest Payment Date, and at such times, in the manner and at such prices, as may be provided by the Supplemental Indenture authorizing the issuance of such Series of Bonds. The District shall provide written notice to the Trustee of any optional redemption on or before the forty-fifth (45th) day next preceding the date to be fixed for such optional redemption.

Unless otherwise provided in the Supplemental Indenture relating to a Series of Bonds, if less than all of the Bonds of any one maturity of a Series shall be called for redemption, the particular Bonds of a Series to be redeemed shall be selected by lot in such reasonable manner as the Bond Registrar in its discretion may determine. The portion of any Series of Bonds to be redeemed shall be in an Authorized Denomination and, in selecting the Bonds of such Series to be redeemed, the Bond Registrar shall treat each such Bond as representing that number of Bonds of such Series which is obtained by dividing the principal amount of such Bond by an Authorized Denomination (such amount being hereafter referred to as the "unit of principal amount").

If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such unit or units

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Record Date); and a second notice of redemption shall be sent by registered or certified mail at such address to any Owner who has not submitted his Bond to the Paying Agent for payment on or before the date sixty (60) days following the date fixed for redemption of such Bond, in each case stating: (i) the numbers of the Bonds to be redeemed, by giving the individual certificate number of each Bond to be redeemed (or stating that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption); (ii) the CUSIP numbers of all Bonds being redeemed; (iii) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed; (iv) the date of issue of each Bond as originally issued and the complete official name of the Bonds including the series designation; (v) the rate or rates of interest borne by each Bond being redeemed; (vi) the maturity date of each Bond being redeemed; (vii) the place or places where amounts due upon such redemption will be payable; and (viii) the notice date, redemption date, and redemption price. The notice shall require that such Bonds be surrendered at the designated corporate trust office of the Paying Agent for redemption at the redemption price and shall state that further interest on such Bonds will not accrue from and after the redemption date. CUSIP number identification with appropriate dollar amounts for each CUSIP number also shall accompany all redemption payments.

Any required notice or redemption also shall be sent by registered mail, overnight delivery service, telecopy or other secure means, postage prepaid, to any Owner of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed, to certain municipal registered securities depositories in accordance with the then-current guidelines of the Securities and Exchange Commission which are known to the Bond Registrar to be holding Bonds thirty-two (32) days prior to the redemption date and to at least two of the national information services that disseminate securities redemption notices in accordance with the then-current guidelines of the Securities and Exchange Commission, when possible, at least thirty (30) days prior to the redemption date; provided that neither failure to send or receive any such notice nor any defect in any notice so mailed shall affect the sufficiency of the proceedings for the redemption of such Bonds.

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of principal amount as provided below, the registered Owner of such Bond, upon surrender of such Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds of such Series representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

Subject to the provisions of Section 506(b) hereof, the District may purchase a Bond or Bonds of a Series in the open market at a price no higher than the highest redemption price (including premium) for the Bond to be so purchased with any funds legally available therefor and any such Bonds so purchased shall be credited to the amounts otherwise required to be deposited for the payment of Bonds of such Series as provided in Section 506(b) hereof or as otherwise provided in the Supplemental Indenture relating to such Series.

Section 302. Notice of Redemption; Procedure for Selection. The District shall establish each redemption date, other than in the case of a mandatory redemption, in which case the Trustee shall establish the redemption date, and the District or the Trustee, as the case may be, shall notify the Bond Registrar in writing of such redemption date on or before the forty-fifth (45th) day next preceding the date fixed for redemption, which notice shall set forth the terms of the redemption and the aggregate principal amount of Bonds so to be redeemed. Except as provided below, notice of redemption shall be given by the Bond Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption by first-class mail, postage prepaid, to any Paying Agent for the Bonds to be redeemed and to the registered Owner of each Bond to be redeemed, at the address of such registered Owner on the registration books maintained by the Bond Registrar (and, for any Owner of \$1,000,000 or more in the principal amount of Bonds, to one additional address if written request therefor is provided to the Bond Registrar prior to the

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Failure to give notice by mailing to the Owner of any Bond designated for redemption or to any depository or information service shall not affect the validity of the proceedings for the redemption of any other Bond.

Section 303. Effect of Calling for Redemption. On the date designated for redemption of any Bonds, notice having been filed and mailed in the manner provided above, the Bonds called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds on such date and, moneys for payment of the redemption price being held in a separate account by the Paying Agent in trust for the Owners of the Bonds to be redeemed, interest on the Bonds called for redemption shall cease to be entitled to any benefit under this Master Indenture, and the Owners of such Bonds shall have no rights in respect thereof, except to receive payment of the redemption price thereof, and interest, if any, accrued thereon to the redemption date, and such Bonds shall no longer be deemed to be Outstanding.

Section 304. Cancellation. Bonds called for redemption shall be canceled upon the surrender thereof.

ARTICLE IV ACQUISITION AND CONSTRUCTION FUND

Section 401. Acquisition and Construction Fund. There is created and established by Section 502 hereof a fund designated as the "Acquisition Construction Fund" which shall be held by the Trustee and to the credit of the Series Acquisition and Construction Accounts there shall be deposited the amounts specified in the Supplemental Indenture relating to such Series of Bonds.

Section 402. Payments From Acquisition and Construction Fund. Payment of the Cost of construction and acquiring the Project shall be made from the Acquisition and Construction Fund as herein provided. All such payments shall be subject to the provisions and restrictions set forth in this Article and in Article V hereof, and the District covenants that it will not request any sums to be paid from the Acquisition and Construction Fund except in accordance with such provisions and restrictions. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more

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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 Section 503(b) hereof.

Section 403. Cost of Project. For the purposes of this Master Indenture, the Cost of the Series Project shall include, without intending thereby to limit or to restrict or expand any proper definition of such cost under the Act, other applicable provisions of Florida law, or this Master indenture, the following:

(i). **Expenses of Bond Issuance.** All expenses and fees relating to the issuance of the Bonds, including, but not limited to, initial Credit and Liquidity Facility fees and costs, attorneys' fees, underwriting fees and discounts, the Trustee's acceptance fees, expenses and Trustee's counsel fees and costs, rating agency fees, fees of financial advisors, engineer's fees and costs, administrative expenses of the District, the costs of preparing audits and engineering reports, the costs of preparing reports, surveys, and studies, and the costs of printing the Bonds and preliminary and final disclosure documents.

(ii). **Accrued and Capitalized Interest.** Any interest accruing on the Bonds from their date through the first Interest Payment Date received from the proceeds of the Bonds (to be deposited into the related Series Interest Account) and Capitalized Interest (to be deposited into the related Series Interest Account or Capitalized Interest Account) as may be authorized or provided for by a Supplemental Indenture related to a Series of Bonds. Notwithstanding the deposit of Capitalized Interest into the related Series Capitalized Interest Account or Interest Account, Capitalized Interest shall also include any amount directed by the District to the Trustee in writing to be withdrawn from the related Series Acquisition and Construction Account and deposited into such Capitalized Interest Account or Interest Account, provided that such direction includes a certification that such amount represents earnings on amounts on deposit in the related Series Acquisition and Construction Account and that, after such deposit, the amount on deposit in such Acquisition and Construction Account, together with earnings thereon will be sufficient to complete the related Series Project which is to be funded from such Acquisition and Construction Account.

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person for a default or breach under the corresponding contract, or in connection with any dispute.

(xiv). 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.

(xv). Expenses of Project management and supervision.

(xvi). Costs of effecting compliance with any and all governmental permits relating to the Project.

(xvii). Any other "cost" or expense as provided by the Act.

(xviii). **Refinancing Costs.** All costs described in (i) through (xvii) above or otherwise permitted by the Act associated with refinancing or repaying any loan or other debt obligation, of the District.

Section 404. Disposition of Balances in Acquisition and Construction Fund. On the Date of Completion of a Series Project, the balance in the related Series Acquisition and Construction Account not reserved for the payment of any remaining part of the Cost of the Series Project shall be transferred by the Trustee to the credit of the Series Redemption Account, and used for the purposes set forth for such Account in the Supplemental Indenture relating to such Series of Bonds.

ARTICLE V ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501. Lien. There is hereby irrevocably pledged for the payment of the Bonds of each Series issued hereunder, subject only to the provisions of this Master Indenture and any Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and any such Supplemental Indenture with respect to each Series of Bonds, the Trust Estate; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Trust Estate securing such Series of Bonds, the Pledged Funds and Pledged Revenues securing a Series of Bonds shall secure only such Series of Bonds and shall not secure any other Bonds or Series of Bonds.

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(iii). **Acquisition Expenses.** The costs of acquiring, by purchase or condemnation, all of the land, structures, improvements, rights-of-law, franchises, easements, plans and specifications and similar items and other interests in property, whether real or personal, tangible or intangible, which themselves constitute the Project or which are necessary or convenient to acquire, install and construct the Project and payments, contributions, dedications, taxes, assessments or permit fees or costs and any other exactions required as a condition to receive any government approval or permit necessary to accomplish any District purpose.

(iv). **Construction Expense.** All costs incurred including interest charges, for labor and materials, including equipment, machinery and fixtures, by contractors, builders, and materialmen in connection with the acquisition, installation and construction of the Project, and including without limitation costs incident to the award of contracts.

(v). **Other Professional Fees and Miscellaneous Expenses.** All legal, architectural, engineering survey, and consulting fees, as well as all financing charges, taxes, insurance premiums, and miscellaneous expenses, not specifically referred to in this Master Indenture that are incurred in connection with the acquisition and construction of the Project.

(vi). Expenses of determining the feasibility or practicality of acquisition, construction, installation, or reconstruction.

(vii). Costs of surveys, estimates, plans and specifications.

(viii). Costs of improvements.

(ix). Financing charges.

(x). Creation of initial reserve and debt service funds.

(xi). Working capital.

(xii). Amounts to repay temporary or bond anticipation notes or loans made to finance any costs permitted under the Act.

(xiii). Costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services or any other

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The foregoing pledge shall be valid and binding from and after the date of initial delivery of the Bonds and the proceeds of sale of the Bonds and all the moneys, securities and funds set forth in this Section 501 shall immediately be subject to the lien of the foregoing pledge, which lien is hereby created, without any physical delivery thereof or further act. Such lien shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District or the Trustee, irrespective of whether such parties have notice thereof. Such lien shall be prior and superior to all other liens now existing or hereafter created.

Section 502. Establishment of Funds and Accounts. The following funds and accounts are hereby established and shall be held by the Trustee:

(a) Acquisition and Construction Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Acquisition and Construction Account and a Series Costs of Issuance Account for each Series of Bonds issued hereunder;

(b). Revenue Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Revenue Account for each Series issued hereunder;

(c). Debt Service Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Debt Service Account and within such Series Debt Service Account,

(i) a Series Interest Account,

(ii) a Series Principal Account,

(iii) a Series Sinking Fund Account,

(iv) a Series Redemption Account and therein a Prepayment Subaccount and an Optional Redemption Subaccount, and

(v) a Capitalized Interest Account

for each such series of Bonds issued hereunder;

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(d). Reserve Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Reserve Account for each such Series of Bonds issued hereunder and any Bonds issued on a parity with any such Series of Bonds hereunder; and

(e). Rebate Fund, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds a separate Series Rebate Account for each such Series of Tax Exempt Bonds issued hereunder.

Notwithstanding the foregoing, the Supplemental Indenture authorizing any Series of Bonds may establish such other Series Accounts or dispense with the Series Accounts set forth above as shall be deemed advisable by the District in connection with such Series of Bonds.

Section 503. Acquisition and Construction Fund.

(a) Deposits. The District shall pay to the Trustee, for deposit into the related Acquisition and Construction Account in the Acquisition and Construction Fund, as promptly as practicable, the following amounts received by it:

- (1) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;
- (2) subject to Section 806 hereof, payments made to the District from the sale, lease or other disposition of the Series Project or any portion thereof;
- (3) the balance of insurance proceeds with respect to the loss or destruction of the Series Project or any portion thereof; and
- (4) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Acquisition and Construction Account shall be applied to the Cost of the Series Project; provided, however, that if any amounts remain in the Acquisition and Construction Account after the Date of Completion, and if such amounts are not reserved for payment of any remaining part of the Cost of the Series Project, such amounts shall be applied in the manner set forth in Section 404 above.

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(a) **Principal, Maturity Amount, Interest and Amortization Installments.** On the Business Day preceding each Interest Payment Date on the Bonds, the Trustee shall withdraw from the Series Revenue Account and, from the amount so withdrawn, shall make the following deposits in the following order of priority:

- (i) to the credit of the related Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein will equal the amount of interest payable on the Bonds of such Series on such Interest Payment Date;
- (ii) to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein will equal the principal amount, if any, payable with respect to Serial Bonds of such Series on such Interest Payment Date;
- (iii) in each Bond Year in which Term Bonds of such Series are subject to mandatory redemption from Amortization Installments, to the related Series Sinking Fund Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Amortization Installment payable on the Term Bonds of such Series on such Interest Payment Date;
- (iv) in each Bond Year in which Capital Appreciation Bonds of such Series mature to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Maturity Amount payable with respect to the Capital Appreciation Bonds of such Series maturing on such Interest Payment Date;
- (v) to the credit of the Series Reserve Account, an amount, if any, which, together with the amount then on deposit therein, will equal the Series Reserve Account Requirement; and
- (vi) to the credit of the Series Rebate Account the Rebate Amount, if any, required to be deposited therein pursuant to the Supplemental Indenture related to a Series of Tax Exempt Bonds.

Notwithstanding the foregoing, so long as there are moneys on deposit in the related Series Capitalized Interest Account on the date required for any transfer into the Series Interest Account as set forth above, the Trustee shall, prior to making any transfer into the related Series Interest Account from the related Series Revenue Account,

(b) Disbursements. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of such Series of Bonds, payments from a Series Acquisition and Construction Account shall be paid in accordance with the provisions of this subsection (b). Before any such payment shall be made, the District shall file with the Trustee a requisition in the form of Exhibit A hereto, signed by an Authorized Officer.

Upon receipt of each such requisition and accompanying certificate the Trustee shall promptly withdraw from the Series Acquisition and Construction Account 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 503(b).

(c) Inspection. All requisitions and certificates received by the Trustee pursuant to this Article shall be retained in the possession of the Trustee, subject at all reasonable times to the inspection of the District, the Consulting Engineer, the Owner of any Bonds of the related Series, and the agents and representatives thereof.

(d) Completion of Series Project. On the Date of Completion, the balance in the Acquisition and Construction Account not reserved by the District for the payment of any remaining part of the Cost of acquiring or constructing the Series Project shall be applied in accordance with the provisions of Section 404 hereof.

Section 504. Revenue Fund and Series Revenue Accounts. The District hereby covenants and agrees that it will assess, impose, establish and collect the Pledged Revenues with respect to each Series of Bonds in amounts and at times sufficient to pay, when due, the principal of, premium, if any, and interest on such Series of Bonds. The District hereby covenants and agrees to immediately deposit upon receipt of all such Pledged Revenues (except Prepayments), when received, into the related Series Revenue Account and to immediately deposit all Prepayments, when received, into the related Series Redemption Account, unless otherwise provided for in the Supplemental Indenture relating to a Series of Bonds.

Section 505 Debt Service Fund and Series Debt Service Account.

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transfer to the related Series Interest Account from the related Series Capitalized Interest Account, the lesser of the interest on such Series of Bonds coming due on the next succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account.

(b) **Disposition of Remaining Amounts on Deposit in Series Revenue Account.** The District shall authorize the withdrawal, from time to time, from the Series Revenue Account an amount sufficient to pay the fees and charges of the Trustee, Bond Registrar, and Paying Agent, when due. Subject to the provisions of Section 604 hereof, if (i) the amount on deposit in the Series Interest Account, Series Principal Account, and Series Redemption Account in each Bond year equals the interest payable on the Bonds of such Series in such Bond Year, the principal amount of Serial Bonds payable in such Bond Year, the Maturity Amount of all Capital Appreciation Bonds due in such Bond Year and the Amortization Installment required to be paid into the Series Redemption Account in such Bond Year, and (ii) any amounts remain in the Series Revenue Account, then, such amounts shall, at the written direction of the District, be applied to pay the commissions, fees, costs and any other charges of the Tax Collector and the Property Appraiser, or, if such commissions, fees, costs, or other charges have been paid by the District, then to reimburse the District for such payment upon written request of an Authorized Officer. If, after such amounts have been withdrawn, paid and provided for as provided above, any amounts remain in the Series Revenue Account, such amounts shall be disbursed to the District on written request of an Authorized Officer and applied to pay the operating and administrative costs and expenses of the District. After making the payments provided for in this subsection (b), the balance, if any, remaining in the Series Revenue Account shall be retained therein, or, at the written direction of an Authorized Officer to the Trustee, transferred into the Series Redemption Account.

(c) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall be used for the purpose of paying interest or principal or Amortization Installment or Maturity Amount on the Bonds of the related Series whenever amounts on deposit in the Series Debt Service Account shall be insufficient for such purpose.

(d) **Series Debt Service Account.** Moneys held for the credit of a Series Principal Account and Series Interest Account in a Series

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Debt Service Account shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the interest on the Bonds of such Series, the principal of Serial Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series and to redeem Term Bonds of such Series that are subject to mandatory redemption from Amortization Installments, as the case may be.

(e) **Series Redemption Account.** Moneys representing Prepayments on deposit in a Series Redemption Account to the full extent of a multiple of an Authorized Denomination shall unless otherwise provided in the Supplemental Indenture relating to such Series of Bonds, be used by the Trustee to redeem Bonds of such Series on the earliest date on which such Bonds are permitted to be called without payment of premium by the terms hereof (including extraordinary or extraordinary mandatory redemption) and of the Supplemental Indenture relating to such Series of Bonds. Such redemption shall be made pursuant to the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption. Moneys other than from Prepayments shall be held and applied in a Series Redemption Account as provided in Section 506(a) hereof.

(f) **Payment to the District.** When no Bonds of a Series remain Outstanding, and after all expenses and charges herein and in the related Supplemental Indenture required to be paid have been paid as certified to the Trustee in writing by an Authorized officer, and after all amounts due and owing to the Trustee have been paid in full, the Trustee shall pay any balance in the Series Accounts for such Series of Bonds to the District upon the written direction of an Authorized Officer, free and clear of any lien and pledge created by this Master Indenture; provided, however, that if an Event of Default has occurred and is continuing in the payment of the principal or Maturity Amount of, or interest or premium on the Bonds of any other Series, the Trustee shall pay over and apply any such excess pro rata (based upon the ratio of the aggregate principal amount of such Series to the aggregate principal amount of all Series Outstanding and for which such an Event of Default has occurred and is continuing) to each other Series of Bonds for which such an Event of Default has occurred and is continuing.

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Account sufficient moneys to pay such respective amounts. In the event that there are insufficient moneys on deposit in the related Series Principal Account with which to pay the principal portion of the purchase price of any Term Bonds, the Trustee may, at the written direction of the District, transfer moneys into such related Series Principal Account from the related Series Revenue Account to pay the principal amount of such purchase price, but only in an amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year calculated after giving effect to any other purchases of Term Bonds during such Bond Year. The Trustee may pay the principal portion of the purchase price of Bonds from the related Series Redemption Account, but only upon delivery of written instructions from an Authorized Officer to the Trustee by the District accompanied by a certificate of an Authorized Officer: (i) stating that sufficient moneys are on deposit in the Redemption Account to pay the purchase price of such Bonds; (ii) setting forth the amounts and maturities of Bonds of such Series which are to be redeemed from such amounts; and (iii) containing cash flows which demonstrate that, after giving effect to the purchase of Bonds in the amounts and maturities set forth in clause (ii) above, the Pledged Revenues to be received by the District in the current and each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of an interest on all Bonds of such Series. The Trustee may pay the principal portion of the purchase price of any Term Bonds from the related Series Principal Account, but only Term Bonds of a maturity having Amortization Installments in the current Bond Year and in the principal amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year (calculated after giving effect to any other purchases of Term Bonds during such Bond Year). The Trustee may pay the principal portion of the purchase price of Term Bonds having maturities different from or in amounts greater than set forth in the next preceding sentence from amounts on deposit in the related Series Principal Account and the Trustee may transfer moneys from the related Series Revenue Account to the related Series Principal Account for such purpose, but only upon delivery of written instructions from an Authorized Officer to the Trustee accompanied by a certificate of an Authorized Officer: (i) stating that sufficient moneys are on deposit in the Series Principal Account, after giving effect to any transfers from the related Series Revenue Account, to pay the principal portion of the purchase price of such Term Bonds; (ii) setting forth the amounts and

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Section 506. Optional Redemption.

(a) **Excess Amounts in Series Redemption Account.** The Trustee shall, but only at the written direction of an Authorized Officer on or prior to the forty-fifth (45th) day preceding the date of redemption, call for redemption on each Interest Payment Date on which Bonds are subject to optional redemption, from moneys on deposit in a Series Redemption Account such amount of Authorized Denominations of Bonds of such Series then subject to optional redemption as, with the redemption premium, if any, will exhaust such amount as nearly as may be practicable. Such redemption shall be made pursuant to the provisions of Article III. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption.

(b) **Purchase of Bonds of a Series.** The District may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Bonds plus the amount of the premium, if any, which would be payable on the next redemption date to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds was issued if such Bonds were called for redemption on such date. Before making each such purchase, the District shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation, which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller and the place of delivery of the Bonds. The Trustee shall pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account and the principal portion of the purchase price of Serial Bonds from the related Series Principal Account, but no such purchase shall be made after the Record Date in any Bond Year in which Bonds have been called for redemption. To the extent that insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account to pay the principal amount of the purchase price of any Serial Bond, the Trustee shall transfer into such Accounts from the related Series Revenue

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maturities of Term Bonds of such Series which are to be redeemed from such amounts and the Amortization Installments against which the principal amount of such purchases are to be credited; and (iii) containing cash flow which demonstrate that, after giving effect to the purchase of Term Bonds in the amounts and having the maturities and with the credits against Amortization Installments set forth in clause (ii) above and any transfers from the related Series Revenue Account, the Pledged Revenues to be received by the District in the current and in each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. If any Bonds are purchased pursuant to this Subsection (b), the principal amount of the Bonds so purchased shall be credited as follows:

(i) if the Bonds are to be purchased from amounts on deposit in the Prepayment Subaccount of a Series Redemption Account, against the principal coming due or Amortization Installments set forth in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or

(ii) if the Bonds are Term Bonds of a Series, against the Amortization Installment for Bonds of such Series first coming due in the current Bond Year, or, if such Term Bonds so purchased are to be credited against Amortization Installments coming due in any succeeding Bond Year, against the Amortization Installments on Term Bonds of such Series maturing on the same date and designated in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or

(iii) against the principal or Maturity Amount of Serial Bonds coming due on the maturity date of such Serial Bond.

Section 507. Rebate Fund and Series Rebate Accounts.

(a) **Creation.** There is hereby created and established a Rebate Fund, and within the Rebate Fund a Series Rebate Account for each Series of Tax Exempt Bonds. Moneys deposited and held in the Rebate Fund shall not be subject to the pledge of this Master Indenture.

(b) **Payment to United States.** The Trustee shall pay to the District upon written request of the District, the Rebate Amount

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required to be paid to the United States at the times, in the manner and as calculated in accordance with the Supplemental Indenture related to a Series of Tax Exempt Bonds. The Trustee shall have no responsibility for computation of the Rebate Amount and instead the District shall cause the Rebate Amount to be calculated by the Rebate Analyst and shall cause the Rebate Analyst to deliver such computation to the Trustee as provided in the Supplemental Indenture related to a Series of Tax Exempt Bonds but before the date of any required payment of the Rebate Amount to the Internal Revenue Service. The fees of, and expenses incurred by, the Rebate Analyst in computing the Rebate Amount shall be paid by the District, which amount shall be treated as administrative and operating expenses of the District payable or reimbursable from the Series Revenue Account in accordance with Section 505(b) hereof.

(c) **Deficiencies.** If the Trustee does not have on deposit in the Series Rebate Account sufficient amounts to make the payments required by this Section, the District shall pay, from any legally available source, the amount of any such deficiency to the United States as in paragraph (b) above provided.

Section 508. Investment of Funds and Accounts. Unless otherwise provided in the Supplemental Indenture authorizing the issuance of a Series of Bonds, moneys held for the credit of the Series Accounts shall be invested as hereinafter in this Section 508 provided.

(a) **Series Acquisition and Construction Account, Revenue Account and Debt Service Account.** Moneys held for the credit of a Series Acquisition and Construction Account, the Series Revenue Account, and the Series Debt Service Account shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer, which Investment Obligations shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates, as estimated by an Authorized Officer, when moneys held for the credit of each such Series Account will be required for the purposes intended.

(b) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer.

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premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since such purchase; and (1) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (2) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price.

Section 509. Deficiencies and Surpluses in Funds. For purposes of this Section: (a) a "deficiency" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein first equals the Series Reserve Account Requirement), and (b) a "surplus" shall mean in the case of a Series Reserve Account, that the amount on deposit therein is in excess of the Series Reserve Account Requirements.

At the time of any withdrawal from a Series Reserve Account that results in a deficiency therein, the Trustee shall promptly notify the District of the amount of any such deficiency and the Trustee shall withdraw the amount of such deficiency from the related Series Revenue Account, and, if amounts on deposit therein are insufficient therefor, the District shall pay the amount of such deficiency to the Trustee, for deposit in such Series Reserve Account, from the first legally available sources of the District.

The Trustee, as of the close of business on the last Business Day in each Bond Year, after taking into account all payments and transfers made as of such date, shall compute, in the manner set forth in Section 508(d), the value of the Series Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such Series Reserve Account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in the Series Reserve Account, from any legally available sources of the District. The Trustee, as soon as practicable after such computation, shall deposit any surplus, at the direction of an Authorized Officer, to the credit of the Series Redemption Account or the Series Principal Account.

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(c) **Investment Obligations as a Part of Funds and Accounts.** Investment Obligations purchased as an investment of moneys in any Fund or Account shall be deemed at all times to be a part of such Fund or Account, and the interest accruing thereon and profit realized from such investment shall be credited as provided in Section 510 hereof. Any loss resulting from such investment shall be charged to such Fund or Account. The foregoing notwithstanding, for purposes of investment and to the extent permitted by law, amounts on deposit in any Fund or Account may be commingled for purposes of investment, provided adequate care is taken to account for such amounts in accordance with the prior sentence. The Trustee may, upon the direction of an Authorized Officer, transfer investments within such Funds or Accounts without being required to sell such investments. The Trustee shall sell at the best price obtainable or present for redemption any obligations so purchased whenever it shall be necessary so to do in order to provide moneys to meet any payment or transfer from any such Fund or Account. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in accordance with the written direction of an Authorized Officer) or for failure to achieve the maximum possible earnings on investments.

(d) **Valuation.** In computing the value of the assets of any Fund or Account, investments and earnings thereon shall be deemed a part thereof. The Trustee shall value the assets in each of the Funds and Accounts established hereunder as of September 30 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten (10) 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. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder, with the exception of a Series Reserve Account, 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. For the purpose of determining the amount on deposit to the credit of a Series Reserve Account, obligations in which money in such Account shall have been invested shall be valued at par, if purchased at par, or at amortized cost, if purchased at other than par, plus, in each case, accrued interest. Amortized cost, when used with respect to an obligation purchased at a

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Section 510. Investment Income. Unless provided otherwise in a Supplemental Indenture, earnings on Investments in a Series Acquisition and Construction Account, a Series Interest Account and a Series Revenue Account shall be deposited, as realized, to the credit of such Series Account and used for the purpose of such Account. Unless provided in a Supplemental Indenture, earnings on investments in a Series Principal Account and Redemption Account shall be deposited, as realized, to the credit of such Series Interest Account and used for the purpose of such Account.

Earnings on investments in a Series Reserve Account shall unless otherwise therein provided in a Supplemental Indenture be disposed of as follows:

(a) if there was no deficiency (as defined in Section 509 above) in the Series Reserve Account as of the most recent date on which amounts on deposit in the Series Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series Reserve Account since such date, then earnings on investments in the Series Reserve Account shall be deposited, as realized, in the Series Revenue Account.

(b) if as of the last date on which amounts on deposit in the Series Reserve Account were valued by the Trustee there was a deficiency (as defined in Section 509 above) in the Series Reserve Account, or if after such date withdrawals have been made from the Series Reserve Account and have created such a deficiency, then earnings on investments in the Series Reserve Account shall be deposited to the credit of the Series Reserve Account until the amount on deposit therein equals the Series Reserve Account Requirement and thereafter shall be deposited to the Series Revenue Account.

Section 511. Cancellation of the Bonds. All Bonds paid, redeemed or purchased, either at or before maturity, shall be canceled upon the payment, redemption or purchase of such Bonds. All Bonds canceled under any of the provisions of this Master Indenture shall be destroyed by the Paying Agent, which shall execute a certificate in duplicate describing the Bonds so destroyed. One executed certificate shall be filed with the Trustee and the other executed certificate shall be retained by the Paying Agent.

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**ARTICLE VI
CONCERNING THE TRUSTEE**

Section 601. 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, to all of which the parties hereto and the Owners agree. The Trustee shall have only those duties expressly set forth herein, and no duties shall be implied against the Trustee.

Section 602. No Responsibility for Recitals. The recitals, statements and representations in this Master Indenture, in any Supplemental Indenture or in the Bonds, save only the Trustee's authentication certificate, if any, upon the Bonds, have been made by the District and not by the Trustee; and the Trustee shall be under no responsibility for the correctness thereof.

Section 603. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Gross Negligence. The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of counsel concerning all questions hereunder, and the Trustee shall not be answerable for the default or misconduct of any attorney, agent or employee selected by it with reasonable care. In performance of its duties hereunder, the Trustee may rely on the advice of counsel and shall not be held liable for actions taken in reliance on the advice of counsel. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture or any Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own gross negligence or willful misconduct.

Section 604. Compensation and Indemnity. The District shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, and to the extent permitted under Florida law shall indemnify the Trustee and hold the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder except with respect to its own negligence or misconduct. The Trustee shall have no duty in connection with its responsibilities hereunder to advance its own funds nor shall the Trustee have any

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the Outstanding Bonds. The Trustee may, however, at any time require of the District 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 District, an investigation into the affairs of the District.

Section 607. Obligation to Act on Default. Before taking any action under this Master Indenture or any Supplemental Indenture in respect of an Event of Default, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to which it may be put and to protect it against all liability, except liability resulting from its own gross negligence or willful misconduct in connection with any such action.

Section 608. Reliance by Trustee. The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, certificate, statement, affidavit, bond, or other paper or document or telephone message which it in good faith believes to be genuine and to have been passed, signed or given by the proper persons or to have been prepared and furnished pursuant to any of the provisions of this Master Indenture or any Supplemental Indenture; and 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 609. 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 Owners may be entitled to take with like effect as if the Trustee were not a party to this Master Indenture or any Supplemental Indenture. The Trustee may also engage in or be interested in any financial or other transaction with the District.

Section 610. Construction of Ambiguous Provision. The Trustee may construe any ambiguous or inconsistent provisions of this Master Indenture or any Supplemental Indenture and any construction by the Trustee shall be binding upon the Owners. The Trustee shall give prompt written notice to the District of any intention to make such construal.

Section 611. Resignation of Trustee. The Trustee may resign and be discharged of the trusts created by this Master Indenture by written resignation filed with the Secretary of the District not less

duty to take any action hereunder without first having received indemnification satisfactory to it. If the District defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys received by the Trustee under this Master Indenture or any Supplemental Indenture and payable to the District other than moneys from a Credit Facility or a Liquidity Facility. This provision shall survive termination of this Master Indenture and any Supplemental Indenture, and as to any Trustee, its resignation or removal thereof. As security for the foregoing, the District hereby grants to the Trustee a security interest in and to the amounts of deposit in all Series Funds and Accounts (other than the Rebate Fund) thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 905(a) upon the occurrence of an Event of Default.

Section 605. 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 District to require or effect or renew insurance or to report or file claims of loss thereunder.

Section 606. Notice of Default; Right to Investigate. The Trustee shall give written notice, as soon as practicable, by first-class mail to registered Owners of Bonds of all defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "defaults" for purposes of this Section and Section 607 being defined to include the events specified as "Events of Default" in Section 902 hereof, but not including any notice or periods of grace provided for therein) or if the Trustee based upon the advice of counsel upon which the Trustee is entitled to rely, determines that the giving of such notice is not in the best interests of the Owners of the Bonds. The Trustee will be deemed to have actual knowledge of any payment default under this Master Indenture or under any Supplemental Indenture and, after receipt of written notice thereof by a Credit Facility issuer or a Liquidity Facility issuer of a default under its respective reimbursement agreement, but shall not be deemed to have actual knowledge of any other default unless notified in writing of such default by the Owners of at least 25% in aggregate principal amount of

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than sixty (60) days before the date when such resignation is to take effect; provided that notice of such resignation shall be sent by first-class mail to each Owner as its name and address appears on the Bond Register and to any Paying Agent, Bond Registrar, any Credit Facility issuer, and any Liquidity Facility issuer, 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 sixty (60) 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.

Section 612. Removal of Trustee. Any Trustee hereunder may be removed at any time by an instrument appointing a successor to the Trustee so removed, executed by the Owners of a majority in aggregate principal amount of all Bonds then Outstanding and filed with the Trustee and the District.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of this Master Indenture or any Supplemental Indenture with respect to the duties and obligations of the Trustee, by any court of competent jurisdiction upon the application of the District or the Owners of not less than 20% in aggregate principal amount of the Bonds then Outstanding.

Section 613. 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 District shall appoint a successor and shall mail notice of such appointment by first-class mail to each Owner as its name and address appears on the Bond Register, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer; provided, however, that no successor Trustee shall be appointed unless the District shall have received the prior written consent, which consent shall not be unreasonably withheld, of

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not less than fifty-one percent (51%) of the Owners of the Outstanding Bonds and any Credit Facility issuer, and any Liquidity Facility issuer, to the appointment of such successor Trustee.

Section 614. Qualification of Successor Trustee. A successor Trustee shall be a national bank with trust powers or a bank or trust company with trust powers, having a combined net capital and surplus of at least \$50,000,000, but in no event shall the successor Trustee ever be the Credit Facility issuer or Liquidity Facility issuer.

Section 615. Instruments of Succession. Any successor Trustee shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder; and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. After withholding from the funds on hand any amounts owed to itself hereunder, the Trustee ceasing to act hereunder shall pay over to the successor Trustee all moneys held by it hereunder; and the Trustee ceasing to act and the District shall execute and deliver an instrument or instruments transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act except for the rights granted under Section 604 hereof.

Section 616. Merger of Trustee. Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Trustee hereunder shall be a party, shall be the successor Trustee under this Master Indenture, without the execution or filing of any paper or any further act on the part of the parties thereto, anything herein to the contrary notwithstanding; provided, however, that any such successor corporation continuing to act as Trustee hereunder shall meet the requirements of Section 614 hereof, and if such corporation does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article VI.

Section 617. Resignation of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may resign and be discharged of the duties created by this Master Indenture by executing an instrument in writing resigning such duties and specifying the date

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Registrar, the Trustee and all Owners. Any new Paying Agent or Bond Registrar so appointed shall immediately and without further act supersede the predecessor Paying Agent or Bond Registrar.

Section 620. Qualifications of Successor Paying Agent or Bond Registrar. Every successor Paying Agent or Bond Registrar (i) shall be a commercial bank or trust company (a) duly organized under the laws of the United States or any state or territory thereof, (b) authorized by law to perform all the duties imposed upon it by this Master Indenture, and (c) capable of meeting its obligations hereunder, and (ii) shall have a combined net capital and surplus of at least \$50,000,000.

Section 621. Acceptance of Duties by Successor Paying Agent or Bond Registrar. Any successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor Paying Agent or Bond Registrar, without any further act, deed or conveyance, 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 Bond Registrar herein. Upon request of such Paying Agent or Bond Registrar, such predecessor Paying Agent or Bond Registrar and the District shall execute and deliver an instrument transferring to such successor Paying Agent or Bond Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Bond Registrar and such predecessor Paying Agent or registrar shall pay over and deliver to the successor Paying Agent or Bond Registrar all moneys and other assets at the time held by it hereunder.

Section 622. Successor by Merger or Consolidation. Any corporation into which any Paying Agent or Bond Registrar hereunder may be merged or converted or with which it may be consolidated, or any corporation resulting from any merger or consolidation to which any Paying Agent or Bond Registrar hereunder shall be a party, shall be the successor Paying Agent or Bond Registrar under this Master Indenture without the execution or filing of any paper or any further act on the part of the parties hereto, anything in this Master Indenture to the contrary notwithstanding.

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when such resignation shall take effect, and filing the same with the District and the Trustee not less than sixty (60) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation shall take effect, and by giving written notice of such resignation mailed not less than sixty (60) days prior to such resignation date to each Owner as its name and address appear on the registration books of the District maintained by the Bond Registrar. Such resignation shall take effect on the date specified in such notice, unless a successor Paying Agent or Bond Registrar is previously appointed in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Bond Registrar. If the successor Paying Agent or Bond Registrar shall not have been appointed within a period of sixty (60) days following the giving of notice, then the Trustee may appoint a successor Paying Agent or Bond Registrar as provided in Section 619 hereof.

Section 618. Removal of Paying Agent or Bond Registrar. The Paying Agent or Bond Registrar may be removed at any time prior to any Event of Default by the District by filing with the Paying Agent or Bond Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by an Authorized Officer appointing a 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 Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder.

Section 619. Appointment of Successor Paying Agent or Bond Registrar. In case at any time the Paying Agent or Bond 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 Bond Registrar, as the case may be, and a successor shall be appointed by the District; and in case at any time the Paying Agent or Bond Registrar shall resign, then a successor shall be appointed by the District. Upon any such appointment, the District shall give written notice of such appointment to the predecessor Paying Agent or Bond Registrar, the successor Paying Agent or Bond

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ARTICLE VII FUNDS CONSTITUTE TRUST FUNDS

Section 701. Trust Funds. Subject to the provisions of Section 604 and Section 905(a) hereof, all amounts on deposit in Series Funds or Accounts for the benefit of a Series of Bonds shall:

(a) be used only for the purposes and in the manner herein and in the Supplemental Indenture relating to such Series of Bonds provided and, pending such application, be held by the Trustee in trust for the benefit of the Owners of such Series of Bonds;

(b) be irrevocably pledged to the payment of such Series of Bonds, except for amounts on deposit in the Series Rebate Accounts in the Rebate Fund;

(c) be held and accounted for separate and apart from all other Funds and Accounts, including Series Accounts of other Series of Bonds, and other funds and accounts of the Trustee and the District;

(d) until applied for the purposes provided herein, be subject to a first lien in favor of the Owners of such Series of Bonds and any pari passu obligations to issuers of Credit or Liquidity Facilities with respect to such series of Bonds, which lien is hereby created, prior and superior to all other liens now existing or hereafter created, and, to a second lien in favor of the Trustee, as security for the reasonable compensation for the services of the trustee hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, subordinate and inferior to the security interest granted to the Owners of such Series of Bonds and any pari passu obligations to issuers of Credit or Liquidity Facilities with respect to such series of Bonds, but nevertheless payable in the order or priority as set forth in Section 905(a) hereof upon the occurrence of an Event of Default; and

(e) shall not be subject to lien or attachment by any creditor of the Trustee or any creditor of the District or any other Series of Bonds other than the Owners of such Series of Bonds and the issuers of Credit or Liquidity Facilities with respect to such Series of Bonds.

ARTICLE VIII COVENANTS AND AGREEMENTS OF THE DISTRICT

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Section 801. Payment of Bonds. The District shall duly and punctually pay or cause to be paid, but only from the Trust Estate with respect to each Series of Bonds, Debt Service on the dates, at the places, and in the amounts stated herein, in any Supplemental Indenture, and in the Bonds of such Series.

Section 802. Extension of Payment of Bonds. Except as provided in Section 901 hereof, the District shall not directly or indirectly extend the time for payment of the interest on any Bonds. The time for payment of Bonds of any Series shall be the time prescribed in the Supplemental Indenture relating to such Series of Bonds.

Section 803. Further Assurance. At any and all times the District shall, so far as it may be authorized by law, pass, make, do, execute, acknowledge and deliver, all and every such further resolutions, acts, deeds, conveyances, assignments, transfers and assurances as may be necessary or desirable for the better assuring, conveying, granting, assigning and confirming all and singular the rights, moneys, securities and funds hereby pledged or assigned, or intended so to be, or which the District may become bound to pledge or assign after the date of execution of this Master Indenture.

Section 804. Power to Issue Bonds and Create a Lien. The District hereby represents to the Trustee and to the Owners that it is and will be duly authorized under all applicable laws to issue the Bonds of each Series, to execute this Master Indenture, to adopt Supplemental Indentures, and to pledge its moneys, securities and funds in the manner and to the extent provided herein. Except as provided herein, the District hereby represents that such moneys, securities and funds of the District are and will be free and clear of any pledge, lien, charge or encumbrance thereon and all action on the part of the District to that end has been and will be duly and validly taken. The Bonds of each Series, this Master Indenture and any Supplemental Indenture are and will be the valid and legally enforceable obligations of the District, enforceable in accordance with their terms except to the extent that enforcement thereof may be subject to bankruptcy and other similar laws affecting creditors' rights generally. The District shall at all times, to the extent permitted by law, defend, preserve and protect the pledge and lien created by this Master Indenture and all the

rights of the Owners hereunder against all claims and demands of all other persons whomsoever.

Section 805. Power to Undertake Series Projects and to Collect Pledged Revenue. The District has or will have upon the date of issuance of each Series of Bonds, and will have so long as any Bonds are Outstanding, good right and lawful power: (i) to undertake the Series Projects, or it will take such action on its part required which it deems reasonable in order to obtain licenses, orders, permits or other authorizations, if any, from any agency or regulatory body having lawful jurisdiction which must be obtained in order to undertake such Series Project; and (ii) to fix, levy and collect or cause to be collected any and all Pledged Revenues.

Section 806. Sale of Series Projects. The District covenants that, until such time as there are no Bonds of a Series Outstanding, it will not sell, lease or otherwise dispose of or encumber the related Series Project or any part thereof other than as provided herein. The District may, however, from time to time, sell any machinery, fixtures, apparatus, tools, instruments, or other movable property acquired by the District in connection with a Series Project, or any materials used in connection therewith, if the District shall determine that such articles are no longer needed or are no longer useful in connection with the acquisition, construction, operation or maintenance of a Series Project, and the proceeds thereof may be applied to the replacement of the properties so sold or disposed of and, if not so applied, shall be deposited to the credit of the related Series Acquisition and Construction Account or, after the Date of Completion of the Series Project, shall be deposited to the credit of the related Series Principal Account. The District may from time to time sell or lease such other property forming part of a Series Project which it may determine is not needed or serves no useful purpose in connection with the maintenance and operation of such Series Project, if the Consulting Engineers shall in writing approve such sale or lease; the proceeds of any such sale shall be disposed of as hereinabove provided for the proceeds of the sale or disposal of movable property. The proceeds of any lease as described above shall be deposited to the credit of the related Series Principal Account or Redemption Account.

Notwithstanding the foregoing, the District may: (i) dispose of all or any part of a Series Project, other than a Series Project the revenues to be derived from the operation of which are pledged to a Series of

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Bonds, by gift or dedication thereof to any unit of local government, or to the State or any agency or instrumentality of either of the foregoing or the United States Government; and/or (ii) impose, declare or grant title to or interests in the Series Project or a portion or portions thereof in order to create ingress and egress rights and public and private utility easements as the District may deem necessary or desirable for the development, use and occupancy of the property within the District; and/or (iii) impose or declare covenants, conditions and restrictions pertaining to the use, occupancy and operation of the Series Projects.

Section 807. Completion and Maintenance of Series Projects. The District shall complete the acquisition and construction of a Series Project with all practical dispatch and in a sound and economical manner. So long as any Series Project is owned by the District, the District shall maintain, preserve and keep the same or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted.

Section 808. Accounts and Reports.

(a) **Annual Report.** The District shall, within thirty days of receipt and approval by the District, so long as any Bonds are Outstanding, deliver to each Requesting Owner (hereinafter defined) and file with the Trustee, solely as a repository of such information, and otherwise as provided by law, a copy of its annual audit for such year, accompanied by an Accountant's Certificate, including: (a) statements in reasonable detail of its financial condition as of the end of such Fiscal Year and income and expenses for such Fiscal Year, and (b) statements of all receipts and disbursements of the Pledged Revenues of each Series of Bonds (unless the Pledged Revenues of such Series are remitted directly to the Trustee). The Trustee shall, within ninety (90) days after the close of each Fiscal Year so long as any Bonds are Outstanding, file with the District a summary with respect to each Fund and Account of the deposits thereto and disbursements therefrom during such Fiscal Year and the amounts held therein at the end of such Fiscal Year, or at the option of the Trustee, such summary can be made on a monthly basis. For purposes of the foregoing, the term "Requesting Owner" shall mean the Owner (or beneficial owner in the

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case of book-entry Bonds) of more than \$1,000,000 aggregate principal amount of any Series of Bonds who requests such information in writing to the District.

(b) **No Default Certificate.** The District shall file with the Trustee, so long as any Bonds are Outstanding, a certificate of an Authorized Officer upon the occurrence of an Event of Default as described in Section 902(g) hereof, such certificate to contain a description of the nature of such default and actions taken or to be taken to remedy with default.

(c) **Inspection.** The reports, statements and other documents required to be furnished by the District to the Trustee and by the Trustee to the District pursuant to any provisions hereof shall be available for inspection by any Owner at the designated corporate trust office of the Trustee upon the giving of at least five (5) days advance written notice to the Trustee.

(d) **Reports Pursuant to Uniform Special District Accountability Act of 1989.** The District covenants and agrees that it will comply with the provisions of Chapter 189.401 et seq., Florida Statutes, as amended, the Uniform Special District Accountability Act of 1989, to the extent applicable to the District, including any reporting requirements contained therein which are applicable to the District. The District may contract with a service provider selected by the District to ensure such compliance.

Section 809. Arbitrage and Other Tax Covenants. The District hereby covenants that it will not take any action, and will not fail to take any action, which action or failure would cause the Tax Exempt Bonds to become "arbitrage bonds" as defined in Section 148 of the Internal Revenue Code of 1986. The District further covenants that it will take all such actions after delivery of any Tax Exempt Bonds as may be required in order for interest on such Tax Exempt Bonds to remain excludable from gross income (as defined in Section 61 of the Internal Revenue Code of 1986) of the Owners. Without limiting the generality of the foregoing, the District hereby covenants that it will to the extent not remitted by the Trustee from funds held in the Rebate Account, remit to the United States that Rebate Amount at the time and place required by this Master Indenture and any Supplemental Indenture, including any Tax Regulatory Covenants contained therein.

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Section 810. Enforcement of Payment of Assessment.

The District will assess, levy, collect or cause to be collected and enforce the payment of Assessments, Benefit Special Assessments, and/or any other sources which constitute Pledged Revenues for the payment of any Series of Bonds in the manner prescribed by this Master Indenture, any Supplemental Indenture and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the Series of Bonds to which such Pledged Revenues are pledged; and to pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the provisions hereof.

Section 811. Method of Collection of Assessments and Benefit Special Assessments. The District shall levy and collect Assessments and Benefit Special Assessment in accordance with applicable Florida law.

Section 812. Delinquent Assessment. If the owner of any lot or parcel of land shall be delinquent in the payment of any Assessment or Benefit Special Assessment, pledged to a Series of Bonds, then such Assessment or Benefit Special Assessments, shall be enforced in accordance with the provisions of Chapters 170 and/or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deed as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable or unavailable, then upon the delinquency of any Assessment or Benefit Special Assessments, the District either on its own behalf, or through the actions of the Trustee, may, but is not obligated to, declare the entire unpaid balance of such Assessment or Benefit Special Assessment, to be in default and, at its own expense, cause such delinquent property to be foreclosed in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, and Sections 190.026 and/or 170.10, Florida Statutes, or otherwise as provided by law. The District further covenants to furnish, at its expense, to any Owner of Bonds of the related Series so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments together with a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

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fifteen percent (15%) in aggregate principal amount of the Outstanding Bonds of such Series.

Section 815. Other Obligations Payable from Assessments or Benefit Special Assessments. The District will not issue or incur any obligations payable from the proceeds of Assessments or Benefit Special Assessments securing a Series of Bonds nor voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge upon such Assessments or Benefit Special Assessments other than the lien of any Subordinate Debt except for fees, commissions, costs, and other charges payable to the Property Appraiser or to the Tax Collector pursuant to Florida law.

Section 816. Re-Assessments. If any Assessments or Benefit Special Assessments shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Assessments or Benefit Special Assessments is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessments or Benefit Special Assessments when it might have done so, the District shall either: (i) take all necessary steps to cause a new Assessment or Benefit Special Assessment to be made for the whole or any part of such improvement or against any property benefitted by such improvement; or (ii) in its sole discretion, make up the amount of such Assessment or Benefit Special Assessment from legally available moneys, which moneys shall be deposited into the related Series Revenue Account. In case any such subsequent Assessment or Benefit Special Assessment shall also be annulled, the District shall obtain and make other Assessments or Benefit Special Assessments until a valid Assessment or Benefit Special Assessment shall be made.

Section 817. General. The District shall do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the District under law and this Master Indenture, in accordance with the terms of such provisions.

Upon the date of issuance of each Series of Bonds, all conditions, acts and things required by law and this Master Indenture and any Supplemental Indenture to exist, to have happened and to have been performed precedent to and in the issuance of such Series of Bonds shall exist, have happened and have been performed and upon issuance the issue of such Series of Bonds shall be within every debt and other

Section 813. Deposit of Proceeds from Sale of Tax Certificates. If any tax certificates relating to Delinquent Assessments which are pledged to a Series of Bonds are sold by the Tax Collector pursuant to the provisions of Section 197.432, Florida Statutes, or if any such tax certificates are not sold but are later redeemed, the proceeds of such sale or redemption (to the extent that such proceeds relate to the Assessments), less any commission or other charges retained by the Tax Collector, shall, if paid by the Tax Collector to the District, be paid by the District to the Trustee not later than five (5) Business Days following receipt of such proceeds by the District and shall be deposited by the Trustee to the credit of the related Series Revenue Account.

Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special Assessment Lien. If any property shall be offered for sale for the nonpayment of any Assessment, which is pledged to a Series of Bonds, and no person or persons shall purchase such property for an amount equal to the full amount due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name title to the property for the benefit of the Owners of the Series of Bonds to which such Assessments or Benefit Special Assessments were pledged. The District, 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 related Series Revenue Account. Not less than ten (10) days prior to the filing of any foreclosure action as herein provided, the District shall cause written notice thereof to be mailed to any designated agents of the Owners of the related Series of Bonds. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the District, it shall give written notice thereof to such representatives. The District, 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 related Series of Bonds within thirty (30) days after the receipt of the request therefor signed by the Trustee or the Owners of at least

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limit prescribed by the laws of the State of Florida applicable to the District.

Section 818. Secondary Market Disclosure. The District covenants and agrees with the Owners, from time to time, of the Bonds issued hereunder to make best efforts to provide, or cause to be provided, on a timely basis, all appropriate information repositories such information and documents as shall be required by applicable law to enable Owners to purchase and resell the Bonds issued, from time to time, hereunder. For purposes of complying with the above-described provision, the District may rely on an opinion of counsel which is familiar with disclosure of information relating to municipal securities. Nothing herein shall, however, require the District to provide disclosure in order to enable the purchaser of a security in a "private placement transaction" within the meaning of applicable securities laws, to offer or re-sell such security in other than a "private placement transaction. All financial statements provided to a repository shall be in accordance with generally accepted governmental accounting principles and shall be provided to such repository as soon as practicable after the same becomes available. The financial statements shall contain such information as shall be customary for local governments, such as the District. Nothing in this Section 818 is intended to impose upon the District, and this Section 818 shall not be construed as imposing upon the District, any disclosure obligations beyond those imposed by applicable law.

**ARTICLE IX
EVENTS OF DEFAULT AND REMEDIES**

Section 901. Extension of Interest Payment. If the time for payment of interest of a Bond of any Series shall be extended, whether or not such extension be by or with the consent of the District, such interest so extended shall not be entitled in case of default hereunder to the benefit or security of this Master Indenture unless the aggregate principal amount of all Bonds of such Bonds then Outstanding and of all accrued interest the time for payment of which shall not have been extended shall have previously been paid in full.

Section 902. Events of Default. Each of the following events is hereby declared an Event of Default with respect to a Series of Bonds:

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(a) Any payment of Debt Service on such Series of Bonds is not made when due;

(b) The District shall for any reason be rendered incapable of fulfilling its obligations hereunder or under the Supplemental Indenture relating to such Series of Bonds;

(c) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of a related Series Project;

(d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;

(e) The District shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;

(f) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control; or

(g) The District shall default in the due and punctual performance of any of the material covenants, conditions, agreements and provisions contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds on the part of the District to be performed (other than a default in the payment of Debt Service on the related Series of Bonds when due, which is an Event of Default under subsection (i) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given

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Section) shall have been remedied, then the Trustee or, if the Trustee is unable or unwilling to act, the Owners of not less than 51% of the aggregate principal amount of the Bonds of such Series then Outstanding not then due except by virtue of a declaration under this Section, may, by written notice to the District, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Section 904. Enforcement of Remedies. Upon the happening and continuance of any Event of Default specified in Section 902 above with respect to a Series of Bonds, the Trustee or, if the Trustee is unwilling or unable to act, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds of such Series then Outstanding may protect and enforce the rights of the Owners of the Bonds of such Series under Florida law, and under this Master Indenture, the related Supplemental Indenture and the Bonds of such Series, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein or in the related Supplemental Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee or the Owners of such Series of Bonds, as the case may be, shall deem most effectual to protect and enforce such rights.

Section 905. Pro Rata Application of Funds Among Owners of a Series of Bonds. Anything in this Master Indenture to the contrary notwithstanding, if at any time the moneys in the Series Funds and Accounts shall not be sufficient to pay Debt Service on the related Series of Bonds when due, such moneys together with any moneys then available or thereafter becoming available for such purpose, whether through the exercise of the remedies provided for in this Article or otherwise, shall be applied as follows:

(a) Unless the aggregate principal amount of all the Bonds of such Series shall have become due and payable or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied:

First: to the payment of any then-due fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid;

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to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owners of not less than ten percent (10%) in aggregate principal amount of the Bonds of such Series then Outstanding and affected by such amendment.

Section 903. Acceleration of Maturities of Bonds of a Series Under Certain Circumstances. Upon the happening and continuance of any Event of Default specified in clauses (a) through (g) of Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Owners of not less than fifty-one (51%) of the aggregate principal amount of the Bonds of such Series then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Bonds of such Series then Outstanding (if not then due and payable) to be due and payable immediately and, upon such declaration, the same shall become and be immediately due and payable, anything contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture authorizing such Series to the contrary notwithstanding; provided, however, that no such declaration of acceleration shall occur as the result of an Event of Default specified in clause (a) of Section 902 in the case of Bonds of a Series secured by Assessments, except to the extent that the Assessments have been accelerated and are currently due and payable in accordance with applicable law; and provided further, however, that if at any time after the aggregate principal amount of the Bonds of any Series then Outstanding shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture or the related Supplemental Indenture, moneys shall have accumulated in the related Series Revenue Account sufficient to pay the principal of all matured Bonds of such Series and all arrears of interest, if any, upon all Bonds of such Series then Outstanding (except the aggregate principal amount of any Bonds of such Series then Outstanding that is only due because of a declaration under this Section, and except for the interest accrued on the Bonds of such Series since the last Interest Payment Date), and all amounts then payable by the District hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Paying Agent, and every other default (other than a default in the payment of the aggregate principal amount of the Bonds of such Series then Outstanding that is due only because of a declaration under this

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Second: to payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds of such Series, in the order in which such installments become due and payable 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 discrimination or preference except as to any difference in the rates of interest specified in the Bonds of such Series; and

Third: to the payment to the persons entitled thereto of the unpaid principal of any of the Bonds of such Series which shall have become due (other than Bonds of such Series called for redemption for the payment of which sufficient moneys are held pursuant to this Master Indenture), in the order of their due dates, with interest upon the Bonds of such Series at the rates specified therein from the dates upon which they become due to their payment date, and, if the amount available shall not be sufficient to pay in full the principal of Bonds of such Series due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Owners of the Bonds of such Series entitled thereto without any discrimination or preference except as to any difference in the foregoing rates of interest.

(b) If the aggregate principal amount of all the Bonds of a Series shall have become due and payable in accordance with their terms or shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, all such moneys shall be applied first to the payment of any fees and expenses of the Trustee, including reasonable counsel fees and expenses, to the extent not otherwise paid, and, then the payment of the whole amount of principal and interest then due and unpaid upon the Bonds of such Series, without preference or priority of principal or of interest or of any installment of interest over any other, or of any Bond over any other Bond of such Series, ratably, according to the amounts due respectively for principal and interest, to the persons entitled thereto without any discrimination or preference except as to any difference in the respective rates of interest specified in the Bonds of such Series.

(c) If the principal of all the Bonds of a Series shall have been declared due and payable pursuant to the provisions of Section 903 of

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this Article, and if such declaration shall thereafter have been rescinded and annulled pursuant to the provisions of Section 903 of this Article, then, if the aggregate principal amount of all of the Bonds of such Series shall later become due or be declared due and payable pursuant to the provisions of Section 903 of this Article, the moneys remaining in and thereafter accruing to the related Series Revenue Fund shall be applied in accordance with subsection (b) above.

The provisions of this Section are in all respects subject to the provisions of Section 901 of this Article.

Whenever moneys are to be applied pursuant to this Section, such moneys shall be applied by the Trustee at such times as the Trustee in its sole discretion shall determine, having due regard to the amount of such moneys available for application and the likelihood of additional moneys becoming available for such application. The deposit of such moneys with the Paying Agent shall constitute proper application by the Trustee, and the Trustee shall incur no liability whatsoever to any Owner or to any other person for any delay in applying any such funds, so long as the Trustee acts with reasonable diligence, having due regard to the circumstances, and ultimately applies such moneys in accordance with such provisions of this Master Indenture as may be applicable at the time of application. Whenever the Trustee shall exercise such discretion in applying such funds, it shall fix the date upon which such application is to be made and upon such date interest on the amounts of principal to be paid on such date shall cease to accrue. The Trustee shall give such notice as it may deem appropriate of the fixing of any such date, and shall not be required to make payment to any Owner until such Bond shall be surrendered to him for appropriate endorsement.

Section 906. Effect of Discontinuance of Proceedings. If any proceeding taken by the Trustee or any Owner on account of any default shall have been discontinued or abandoned for any reason, then the District and the Owner shall be restored to their former positions and rights hereunder, respectively, and all rights and remedies of the Owners shall continue as though no such proceeding had been taken.

Section 907. Restriction on Individual Owner Actions. Except as provided in Section 910 below, no Owner of any of the Bonds shall have any right in any manner whatever to affect, disturb or prejudice the security of this Master Indenture or any Supplemental

Indenture, or to enforce any right hereunder or thereunder except in the manner herein or therein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the Bonds of such Series.

Section 908. No Remedy Exclusive. No remedy conferred upon the Trustee or the Owners is intended to be exclusive of any other remedy herein or in any Supplemental Indenture provided, and each such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or thereunder.

Section 909. Delay Not a Waiver. No delay or omission of the Trustee or any Owner to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default or an acquiescence therein; and every power and remedy given to the Trustee and the Owners may be exercised from time to time and as often as may be deemed expedient.

Section 910. Right to Enforce Payment of Bonds. Nothing in this Article shall affect or impair the right of any Owner to enforce the payment of Debt Service on the Bond of which such person is the registered Owner, or the obligation of the District to pay Debt Service to the Owner at the time and place specified in such Bond.

Section 911. No Cross Default Among Series. The occurrence of an Event of Default hereunder or under any Supplemental Indenture with respect to any Series of Bonds shall not constitute an Event of Default with respect to any other Series of Bonds, unless the event giving rise to the Event of Default also constitutes an Event of Default hereunder or under the Supplemental Indenture with respect to such other Series of Bonds.

Section 912. Indemnification. Other than to make proper draws under a Credit Facility, the Trustee shall be under no obligation to institute any suit or to take any remedial proceeding under this Master Indenture or any Supplemental Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to advance its own money, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against liability.

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ARTICLE X EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

Section 1001. Execution of Instruments by Owners and Proof of Ownership of Bonds. Any request, direction, consent or other instrument in writing required or permitted by this Master Indenture or any Supplemental Indenture to be signed or executed by Owners may be in any number of concurrent instruments of similar tenor and may be signed or executed by Owners or their attorneys or legal representatives. Proof of the execution of any such instrument shall be sufficient for any purpose of this Master Indenture and shall be conclusive in favor of the District with regard to any action taken by it under such instrument if verified by any officer in any jurisdiction who, by the laws thereof, has power to take affidavits within such jurisdiction, to the effect that such instrument was subscribed and sworn to before him, or by an affidavit of a witness to such execution. Where such execution is on behalf of a person other than an individual such verification or affidavit shall also constitute sufficient proof of the authority of the signer thereof.

Nothing contained in this Article shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future owner of the same Bond in respect of anything done by the Trustee or the District in pursuance of such request or consent.

Section 1002. Deposit of Bonds. Notwithstanding the foregoing, neither the District nor the Trustee shall be required to recognize any person as an Owner of any Bond or to take any action at his request unless such Bond shall be deposited with the Trustee.

ARTICLE XI SUPPLEMENTAL INDENTURES

Section 1101. Supplemental Indentures Without Owners' consent, the Governing Body from time to time may authorize such indentures supplemental hereto or amendatory hereof as shall not be inconsistent with the terms and provisions hereof (which

supplemental indenture shall thereafter form a part hereof), without the consent of the Owners, for the following purposes:

- (a) to provide for the initial issuance of a Series of Bonds or refunding bonds of a Series; or
- (b) to make any change whatsoever to the terms and provisions of this Master Indenture, but only as such change relates to a Series of Bonds upon the original issuance thereof (or upon the original issuance of refunding bonds of a Series which defease and discharge the Supplemental Indenture of the Series of Bonds to be refunded) under and pursuant to the terms of the Supplemental Indenture effecting such change; or
- (c) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Master Indenture; or
- (d) to grant to the Owners or to the Trustee on behalf of the Owners any additional rights or security that may lawfully be granted; or
- (e) to add to the covenants and agreements of the District in this Master Indenture other covenants and agreements thereafter to be observed by the District to the benefit of the Owners of the Outstanding Bonds; or
- (f) to make such changes as may be necessary in order to reflect amendments to Chapters 170, 190, 197 and 298, or other Florida Statutes, so long as, in the opinion of counsel to the District, such changes either: (a) do not have a material adverse effect on the Owners of each Series of Bonds to which such changes relate; or (b) if such changes do have a material adverse effect, that they nevertheless are required to be made as a result of such amendments; or
- (g) to modify the provisions of this Master Indenture or any Supplemental indenture provided that such modification does not, in the written opinion of Bond Counsel, materially adversely affect the interests of the Owners of the Bonds Outstanding.

Section 1102. Supplemental Indentures With Owner Consent. Subject to the provisions contained in this Section, and not otherwise, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds then Outstanding shall have

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the right, from time to time, anything contained in this Master Indenture to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental hereto or amendatory hereof as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of this Master Indenture; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds then Outstanding and affected by such amendment,

- (a) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond;
- (b) a reduction in the principal, premium, or interest on any Bond;
- (c) a preference or priority of any Bond over any other Bond; or
- (d) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Indenture.

In addition to the foregoing, the Owners of not less than fifty-one percent (51%) in aggregate principal amount of the Bonds of any Series then Outstanding shall have the right, from time to time, anything contained in this Master Indenture or in the Supplemental Indenture relating to such Series of Bonds to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental to the Supplemental Indenture relating to such Series of Bonds or amendatory thereof, but not hereof, as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of such Supplemental Indenture or of any indenture supplemental thereto; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds of such Series then Outstanding and affected by such amendment,

- (a) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond of such Series;
- (b) a reduction in the principal, premium, or interest on any Bond of such Series;

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accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or general equitable principles. In addition, if such indenture relates to a Series of Tax Exempt Bonds, such opinion shall also state that such indenture will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the related Series of Bonds.

Section 1104. Supplemental Indenture Part of Indenture. Any supplemental indenture executed in accordance with this Article and approved as to legality by counsel to the District shall thereafter, except as otherwise provided therein, form a part of this Master Indenture. Except as applicable only to Bonds of a Series, all of the terms and conditions contained in any such supplemental indenture amendatory of this Master indenture shall be part of the terms and conditions hereof.

Section 1105. Insurer or Issuer of a Credit or Liquidity Facility as Owner of Bonds. As long as a Credit or Liquidity Facility securing all or a portion of the Bonds of a Series Outstanding is in effect, the issuer of the Credit or Liquidity Facility or the Insurer, to the extent so authorized in the applicable Supplemental Indenture, will be deemed to be the Owner of the Bonds of such Series secured by the Credit or Liquidity Facility: (i) at all times for the purpose of the execution and delivery of a supplemental indenture or of any amendment, change or modification of the Master Indenture or the applicable Supplemental Indenture or the initiation by Owners of any action to be undertaken by the Trustee at the Owner's request, which under the Master Indenture or the applicable Supplemental Indenture requires the written approval or consent of or can be initiated by the Owners of at least a majority in principal amount of the Bonds of the Series at the time Outstanding; (ii) at all times for the purpose of the mailing of any notice to Owners under the Master Indenture or the applicable Supplemental Indenture; and (iii) following an Event of Default for all other purposes. Notwithstanding the foregoing, neither an Insurer nor the issuer of a Credit or Liquidity Facility with respect to a Series of Bonds will be deemed to be an Owner of the Bonds of such Series with respect to any such Supplemental Indenture or of any amendment, change or modification of the Master Indenture which would have the effect of permitting: (i) a change in the terms of redemption or maturity of any Bonds of a Series Outstanding or of any installment of interest thereon; or (ii) a reduction in the principal

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(c) a preference or priority of any Bond of such Series over any other Bond of such Series; or

(d) a reduction in the aggregate principal amount of the Bonds of such Series required for consent to such indenture supplemental to the Supplemental Indenture.

If at any time the District shall determine that it is desirable to approve any Supplemental Indenture pursuant to this Section 1102, the District shall cause the Trustee to mail notice of the proposed approval to the Owners whose approval is required. Such notice shall be prepared by the District and shall briefly set forth the nature of the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture and shall state that copies thereof are on file with the Secretary for inspection by all affected Owners. The District shall not, however, be subject to any liability to any Owner by reason of its failure to cause the notice required by this Section to be mailed and any such failure shall not affect the validity of such Supplemental Indenture or indenture supplemental to a Supplemental Indenture when consented to and approved as provided in this Section.

Whenever, at any time within one (1) year after the date of the first mailing of such notice, there shall be delivered to the District an instrument or instruments in writing purporting to be executed by the Owners of the requisite principal amount of the Bonds of such Series Outstanding, which instrument or instruments shall refer to the proposed Supplemental Indenture or indenture supplemental to a Supplemental Indenture described in such notice and shall specifically consent to and approve the execution thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Governing Body and the Trustee may approve such Supplemental Indenture and cause it to be executed, in substantially such form, without liability or responsibility to any Owner.

Section 1103. Opinion of Bond Counsel With Respect to Supplemental Indenture. In addition to the other requirements herein set forth with respect to Supplemental Indentures or indenture supplemental to a Supplemental Indenture, no such indenture shall be effective unless and until there shall have been delivered to the Trustee the opinion of Bond Counsel to the effect that such indenture is permitted pursuant to this Master Indenture and that such indenture is the valid and binding obligation of the District enforceable in

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amount or the Redemption Price thereof or in rate of interest thereon; or (iii) reducing the percentage or otherwise affecting the classes of Bonds the consent of the Owners of which is required to effect any such modification or amendment; or (iv) creating any preference or priority of any Bond of a Series over any other Bond of such Series.

ARTICLE XII DEFEASANCE

Section 1201. Defeasance and Discharge of the Lien of this Master Indenture and Supplemental Indentures.

(a) If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon and the obligations under any Letter of Credit Agreement and any Liquidity Agreement, at the times and in the manner stipulated therein and in this Master Indenture and any Letter of Credit Agreement and any Liquidity Agreement and pays or causes to be paid all other moneys owing hereunder and under any Supplemental Indenture (including, without limitation the fees and expenses of the Trustee, including reasonable counsel fees and expenses), then the lien of this Master Indenture and all covenants, agreements and other obligations of the District to the Owners and the issuer of any Credit Facility or Liquidity Facility shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Trustee upon the request of the District shall execute and deliver to the District all such instruments as may be desirable to evidence such discharge and satisfaction, and the Trustee and the Paying Agent shall pay over or deliver, as directed by the District, all moneys or securities held by them pursuant to this Master Indenture which are not required for the payment of principal or Redemption Price, if applicable, on Bonds not theretofore surrendered for such payment or redemption or for payment of obligations under any Letter of Credit Agreement and any Liquidity Agreement. If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Outstanding Bonds or of a particular maturity, of a particular Series or of any part of a particular maturity or Series the principal or Redemption Price, if applicable, and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Master Indenture, such Bonds shall cease to be entitled to any lien, benefit or security under this Master Indenture, and all covenants, agreements and obligations of the

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District to the Owners of such Bonds shall thereupon cease, terminate and become void and be discharged and satisfied. Anything to the contrary in this Section 1201 notwithstanding, this Master Indenture shall not be discharged nor shall any Bonds with respect to which moneys or Federal Securities have been deposited in accordance with the provisions of this Section 1201 cease to be entitled to the lien, benefit or security under this Master Indenture, except to the extent that the lien, benefit and security of this Master Indenture and the obligations of the District hereunder shall be limited solely to and such Bonds shall be secured solely by and be payable solely from the moneys or Federal Securities so deposited.

(b) Bonds or interest installments for the payment or redemption of which moneys shall have been set aside and shall be held in trust by the Trustee (through deposit pursuant to this Master Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in this Section. All Outstanding Bonds of any particular maturity or Series shall prior to the maturity or redemption date thereof be deemed to have been paid within the meaning and with the effect expressed in subsection (a) of this Section 1201 if: (i) in case any of such Bonds are to be redeemed on any date prior to their maturity, the District shall have given to the Trustee or the Bond Registrar irrevocable instructions accepted in writing by the Trustee or the Bond Registrar to mail as provided in Article III notice of redemption of such Bonds on such date; (ii) there shall have been deposited with the Trustee either moneys in an amount which shall be sufficient, or Federal Securities, the principal of and the interest on which when due shall, as demonstrated in an Accountant's Certificate, provide moneys which, together with the moneys, if any, deposited with the Trustee at the same time, shall be sufficient, to pay when due the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on or prior to the redemption date or maturity date thereof, as the case may be; (iii) the District shall have given the Trustee or the Bond Registrar in form satisfactory to it irrevocable instructions to mail, postage prepaid, to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the District, a notice to the registered Owners of such Bonds and to the Registrar that the deposit required by (b) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 1201 and

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rate permitted by the terms of the provisions which authorized the issuance of such Variable Rate Bonds; provided, however, that if on any date, as a result of such Variable Rate Bonds having borne interest at less than such maximum rate for any period, the total amount of moneys and Investment Obligations on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds and obligations under Letter of Credit Agreement and any Liquidity Agreement pursuant to the provisions of this Section, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under this Master Indenture or under any Letter of Credit Agreement or any Liquidity Agreement.

(d) Notwithstanding any of the provisions of this Master Indenture to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (i) above or by depositing in the Series Interest Account, the Series Principal Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the District may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and redemption price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if, at the time a deposit is made pursuant to this subsection (iv), the options originally exercisable by the Owner of an Option Bond are no longer exercisable, such Bond shall not be considered an Option Bond for purposes of this subsection (iv). If any portion of the moneys deposited for the payment of the principal of and redemption price, if any, and interest on Option Bonds is not required for such purpose and is not needed to reimburse an Insurer or an issuer of any Credit Facility or Liquidity Facility, for obligations under any Letter of Credit Agreement or any Liquidity Agreement, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing such Option Bonds or otherwise existing under this Master Indenture or any Letter of Credit Agreement or Liquidity Agreement.

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stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or redemption price, if applicable, on such Bonds; and (iv) an opinion of Bond Counsel to the effect that such defeasance is permitted under this Master Indenture and the Supplemental Indenture relating to the Series of Bonds so defeased and that, in the case of Tax-Exempt Bonds, such defeasance will not adversely affect the tax exempt status of such Series of Bonds. Neither Federal Securities nor moneys deposited with the Trustee pursuant to this Section 1201 nor principal or interest payments on any such Federal Securities shall be withdrawn or used for any purpose other than, and shall be held in trust for, the payment of the principal or redemption price, if applicable, and interest on such Bonds; provided that any cash received from such principal or interest payments on such Federal Securities deposited with the Trustee: (a) to the extent such cash shall not be required at any time for such purpose as evidenced by an Accountant's Certificate or, and to the extent all obligations under any Letter of Credit Agreement or any Liquidity Agreement are satisfied, as determined by an Insurer or an issuer of any Credit Facility and any Liquidity Facility securing the Bonds with respect to which such Federal Securities have been so deposited, shall be paid over upon the direction of the District as received by the Trustee, free and clear of any trust, lien, pledge or assignment securing such Bonds or otherwise existing under this Master Indenture; and (b) to the extent such cash shall be required for such purpose at a later date, shall, to the extent practicable, be reinvested in Federal Securities maturing at times and in amounts sufficient to pay when due the principal or redemption price, if applicable, and interest to become due on such Bonds, or obligations under any Letter of Credit Agreement or any Liquidity Agreement, on or prior to such redemption date or maturity date thereof, as the case may be, and interest earned from such reinvestments shall be paid over as received by the Trustee to the District, free and clear of any lien, pledge or security interest securing such Bonds or otherwise existing under this Master Indenture. For the purposes of this provision, Federal Securities means and includes only such securities which shall not be subject to redemption prior to their maturity other than at the option of the holder thereof.

(c) As to any Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (i) or (ii) above, the amount required for the interest thereon shall be calculated at the maximum

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(e) Anything in this Master Indenture to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bonds became due and payable, shall, at the written request of the District be repaid by the Trustee or Paying Agent to the District, as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Bonds; provided, however, that before being required to make any such payment to the District, the Trustee or Paying Agent shall, at the expense of the District, cause to be mailed, postage prepaid, to any Insurer or any issuer of any Credit Facility or Liquidity Facility, and to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registry books of the District, a notice that such moneys remain unclaimed and that, after a date named in such notice, which date shall be not less than thirty (30) days after the date of the mailing of such notice, the balance of such moneys then unclaimed shall be returned to the District.

(f) In the event that the principal and Redemption Price, if applicable, and interest due on the Bonds shall be paid by the Insurer pursuant to a municipal bond insurance policy, the assignment and pledge and all covenants, agreements and other obligations of the District to the Owners of such Bonds shall continue to exist and the Insurer shall be subrogated to the rights of such Owners.

(g) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (b) through (f) shall apply to the discharge of Bonds of a Series and to the discharge of the lien of any Supplemental Indenture securing such Series of Bonds as though each reference to the "Master Indenture" were a reference to such "Supplemental Indenture" and as though each reference to "Bonds Outstanding" were a reference to the "Bonds of such Series Outstanding."

Section 1202. Moneys Held in Trust. All moneys and obligations held by an escrow or paying agent or trustee pursuant to

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this Section shall be held in trust and the principal and interest of said obligations when received, and said moneys, shall be applied to the payment, when due, of the principal, interest and premium, if any, of the Bonds to be paid or to be called for redemption.

ARTICLE XIII MISCELLANEOUS PROVISIONS

Section 1301. Effect of Covenant. All covenants, stipulations, obligations and agreements of the District contained in this Master Indenture shall be deemed to be covenants, stipulations, obligations and agreements of the District and of the Governing Body of the District to the full extent authorized or permitted by law and all such covenants, stipulations, obligations and agreements shall bind or inure to the benefit of the successor or successors thereof from time to time and any officer, board, body or commission to whom or to which any power or duty affecting such covenants, stipulations, obligations and agreements shall be transferred by or in accordance with law.

Except as otherwise provided herein, all rights, powers and privileges conferred, and duties and liabilities imposed, upon the District or upon the Governing Body by this Master Indenture shall be exercised or performed by the Governing Body, or by such other officers, board, body or commission as may be required by law to exercise such powers or to perform such duties.

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Governing Body in his or her individual capacity, and neither the members of the Governing Body nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

Section 1302. Manner of Giving Notice to the District and the Trustee. Any notice, demand, direction, request or other instrument authorized or required by this Master Indenture to be given to or filed with the District or the Governing Body or the Trustee shall be deemed to have been sufficiently given or filed for all purposes of this Master Indenture if and when sent by certified mail, return receipt requested:

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Section 1305. Inconsistent Provisions. All provisions of any resolutions, and parts thereof, which are inconsistent with any of the provisions of this Master Indenture are hereby declared to be inapplicable to this Master Indenture.

Section 1306. Further Acts. The officers and agents of the District are hereby authorized and directed to do all the acts and things required of them by the Bonds and this Master Indenture, for the full, punctual and complete performance of all of the terms, covenants, provisions and agreements contained in the Bonds and this Master Indenture.

Section 1307. Headings Not Part of Indenture. Any headings preceding the texts of the several Articles and Sections hereof and any table of contents, marginal notes or footnotes appended to copies hereof shall be solely for convenience of reference, and shall not constitute a part of this Master Indenture, nor shall they affect its meaning, construction or effect.

Section 1308. Effect of Partial Invalidity. In case any one or more of the provisions of this Master Indenture or of any Bonds shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Master Indenture or of the Bonds, but this Master Indenture and the Bonds shall be construed and enforced as if such illegal or invalid provision had not been contained therein. The Bonds are issued and this Master Indenture is adopted with the intent that the laws of the State of Florida shall govern their construction.

Section 1309. Attorneys' Fees. Any reference herein to the term "attorneys' fees" or "legal fees" or words of like import shall include but not be limited to fees of legal assistants and paralegal and fees incurred in any and all legal proceedings, including any trial or appellate level proceedings, and any sales tax thereon.

To the District, addressed to:
District Manager
River Hall Community Development District

3434 Colwell Avenue, Suite 200
Tampa, Florida 33614

To the Trustee, addressed to:
Wachovia Bank, National Association
200 South Biscayne Boulevard
14th Floor
Miami, Florida 33131
Attention: Corporate Trust Department

or to such other address as shall be provided to the other party hereto in writing.

All documents received by the District and the Trustee under this Master Indenture shall be retained in their possession, subject at all reasonable times to the inspection of any Owner and the agents and representatives thereof.

Section 1303. Manner of Giving Notice to the Owners. Any notice, demand, direction, request, or other instrument authorized or required by this Master Indenture to be mailed to the Owners shall be deemed to have been sufficiently mailed if mailed by first class mail, postage pre-paid, to the Owners at their addresses as they appear at the time of mailing on the registration books maintained by the Bond Registrar.

Section 1304. Successorship of District Officers. If the offices of Chairman, or Secretary shall be abolished or any two or more of such offices shall be merged or consolidated, or in the event of a vacancy in any such office by reason of death, resignation, removal from office or otherwise, or in the event any such officer shall become incapable of performing the duties of his office by reason of sickness, absence from the District or otherwise, all powers conferred and all obligations and duties imposed upon such officer shall be performed by the officer succeeding to the principal functions thereof or by the officer upon whom such powers, obligations and duties shall be imposed by law.

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Section 1310. Effective Date. This Master Indenture shall be effective as of the date first above-written.

SEAL

Attest:

Assistant Secretary

SEAL
ASSOCIATION

RIVER HALL
COMMUNITY
DEVELOPMENT DISTRICT

Chairman, Board of Supervisors

WACHOVIA BANK, NATIONAL
as Trustee

By: *Vivian C. Cerecedo*
Vice President

EXHIBIT A
FORM OF REQUISITION

The undersigned, an Authorized Officer of River Hall Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to Wachovia Bank, National Association, Miami, Florida, as trustee (the "Trustee"), dated as of October 1, 2005 (the "Master Indenture"), as amended and supplemented by the [] Supplemental Indenture from the District to the Trustee, dated as of [] (the Master Indenture as amended and supplemented is hereinafter referred to as the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) 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):

(E) Fund or Account and subaccount, if any, from which disbursement to be made:

The undersigned hereby certifies that [obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the [] Acquisition and Construction Account and the subaccount, if any, referenced above, that each disbursement set forth above was incurred in connection with the acquisition and construction of the [] Project and each represents a Cost of the [] Project, and has not previously been paid] OR [this requisition is for Costs of Issuance payable from the Costs of Issuance Account that has not previously been paid].

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or

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the [] Project with respect to which such disbursement is being made; and, (ii) the report of the Consulting Engineer attached as an Exhibit to the [] Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

Consulting Engineer

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.

If this requisition is for a disbursement from other than the Costs of Issuance Account or for payment of capitalized interest, there shall be attached a resolution of the Governing Body of the District approving this requisition or approving the specific contract with respect to which disbursements pursuant to this requisition are due and payable.

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or services rendered with respect to which disbursement is hereby requested.

**RIVER HALL
COMMUNITY
DEVELOPMENT DISTRICT**

By:

Authorized Officer

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

If this requisition is for a disbursement from other than Capitalized Interest or 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

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FIFTH SUPPLEMENTAL TRUST INDENTURE

BETWEEN

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

AND

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION
As Trustee

Dated as of November 1, 2023

Authorizing and Securing

§
RIVER HALL COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BONDS
SERIES 2023A (ASSESSMENT AREA 4)

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THIS FIFTH SUPPLEMENTAL TRUST INDENTURE (the "Fifth Supplemental Indenture"), dated as of November 1, 2023, between River Hall Community Development District (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, as successor trustee to Wachovia Bank, National Association (said banking association and any bank or trust company becoming successor trustee under this Fifth Supplemental Indenture being hereinafter referred to as the "Trustee");

W I T N E S S E T H:

WHEREAS, the District 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"), for the purpose, among other things, of financing and managing the acquisition and construction, maintenance, and operation of the major infrastructure within and without the boundaries of the premises to be governed by the District; and

WHEREAS, the District has entered into a Master Trust Indenture, dated as of October 1, 2005 (the "Master Indenture") with the Trustee to secure the issuance of its River Hall Community Development District Capital Improvement Revenue Bonds, issuable in one or more series from time to time; and

WHEREAS, pursuant to Resolution 2005-18, adopted by the Board of Supervisors of the District (the "Governing Body") on June 17, 2005, as supplemented (the "Bond Resolution"), the District authorized the issuance, sale and delivery of not to exceed \$125,000,000 of its River Hall Community Development District Capital Improvement Revenue Bonds (the "Bonds"), to be issued in one or more Series of Bonds from time to time as authorized under the Master Indenture, which Bonds were validated by final judgment of the Circuit Court of Lee County, Florida on August 29, 2005; and

WHEREAS, the Governing Body of the District duly adopted Resolution No. 2005-31, on September 23, 2005, providing for the acquisition, construction and installation of assessable capital improvements (the "Original Capital Improvement Program"); and

WHEREAS, pursuant to the Master Indenture and a First Supplemental Trust Indenture, dated as of October 1, 2005, the District issued its River Hall Community Development District Capital Improvement Revenue Bonds, Series 2005 (the "2005 Bonds") in the aggregate principal amount of \$30,000,000; and

WHEREAS, pursuant to the Master Indenture and a Second Supplemental Trust Indenture, dated as of May 1, 2011, the District issued its River Hall Community Development District Capital Improvement Revenue Bonds, Series 2011A-1 and River Hall Community Development District Capital Improvement Revenue Bonds, Series 2011A-2 (the "2011 Bonds") in the aggregate principal amount of \$24,668,674.60 in exchange for the then Outstanding 2005 Bonds;

WHEREAS, pursuant to the Master Indenture and a Third Supplemental Trust Indenture, dated as of September 1, 2020, the District issued its River Hall Community Development District Capital Improvement Revenue Bonds, Series 2020A (Assessment Area 3) (the “2020A Bonds”) in the aggregate principal amount of \$7,600,000 to finance capital improvements; and

WHEREAS, pursuant to the Master Indenture and a Fourth Supplemental Trust Indenture, dated as of September 1, 2021, the District issued its \$9,065,000 Capital Improvement Refunding Revenue Bonds, Series 2021A-1 in the aggregate principal amount of \$9,065,000 and Capital Improvement Refunding Revenue Bonds, Series 2021A-2 in the aggregate principal amount of \$9,930,000 for the purpose of refunding all of the outstanding Series 2011 Bonds; and

WHEREAS, the Governing Body of the District duly adopted Resolution No. 2023-02, on February 2, 2023, approving a supplement to the Capital Improvement Plan providing for the acquisition, construction and installation of additional assessable capital improvements (the Original Capital Improvement Plan as so supplemented, the “Capital Improvement Program”), providing estimated Costs of the Capital Improvement Program, defining assessable property to be benefited by the Capital Improvement Program, defining the portion of the Costs of the Capital Improvement Program with respect to which Assessments will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and, stating the intent of the District to issue Bonds of the District secured by such Assessments to finance the costs of the acquisition, construction and installation of a portion of the Capital Improvement Program and the Governing Body of the District duly adopted Resolution No. 2023-___, on April 6, 2023, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments on the benefited property (collectively, the “Assessment Resolution”); and

WHEREAS, pursuant to Resolution No. 2023-06 adopted by the Governing Body of the District on April 6, 2023 (the “2023 Authorizing Resolution”) and the Master Indenture, the District authorized the issuance of not exceeding \$9,500,000 initial principal amount of River Hall Community Development District Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4) (the “2023A Bonds”) as an issue of Bonds under the Master Indenture, and has authorized the execution and delivery of this Fifth Supplemental Indenture to secure the issuance of the 2023A Bonds and to set forth the terms of the 2023A Bonds; and

WHEREAS, the District will apply the proceeds of the 2023A Bonds to: (i) finance a portion of the Cost of acquisition, construction, installation and equipping of a portion of the Capital Improvement Program (hereinafter (the “2023A Project”)); (ii) pay interest on the 2023A Bonds through _____ 1, 202____, (iii) pay certain costs associated with the issuance of the 2023A Bonds; and (iv) fund the 2023A Reserve Account as herein provided; and

WHEREAS, the execution and delivery of the 2023A Bonds and of this Fifth Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the 2023A Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Fifth Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the 2023A Trust Estate (as defined below, which is a “Series Trust Estate” for purposes of the Master Indenture) have been done;

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2023A Bond of a particular maturity, otherwise this Fifth Supplemental Indenture shall remain in full force and effect;

THIS FIFTH SUPPLEMENTAL TRUST INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all 2023A Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Indenture expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the 2023A Bonds, as follows:

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NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS FIFTH SUPPLEMENTAL TRUST INDENTURE WITNESSETH:

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the 2023A Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all 2023A Bonds Outstanding from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Fifth Supplemental Indenture and in the 2023A Bonds: (a) has executed and delivered this Fifth Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture, as amended hereby, and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture as amended hereby the revenues derived by the District from the 2023A Assessments pledged to the 2023A Bonds (the “2023A Pledged Revenues”) and the Funds and Accounts established for the 2023A Bonds, including, without limitation, the 2023A Reserve Account (except for the 2023A Rebate Account) established by the Master Indenture as amended hereby (the “2023A Pledged Funds and Accounts”) (collectively, the “2023A Trust Estate”);

TO HAVE AND TO HOLD all the same by the Indenture granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in said trust and to it and its assigns forever;

IN TRUST NEVERTHELESS, except as in each such case may otherwise be provided in the Indenture, in the case of the 2023A Bonds upon the terms and trusts in the Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the 2023A Bonds issued or to be issued under and secured by the 2023A Trust Estate under this Fifth Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one 2023A Bond over any other 2023A Bond by reason of priority in their issue, sale or execution;

PROVIDED FURTHER HOWEVER, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the 2023A Bonds or any 2023A Bond of a particular maturity issued, secured and Outstanding under this Fifth Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the 2023A Bonds and this Fifth Supplemental Indenture, according to the true intent and meaning thereof, and 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 of the Indenture, then upon such final payments, this Fifth Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all 2023A Bonds or any

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ARTICLE I

DEFINITIONS

SECTION 1.01 Definitions. All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

“Assessment Area 4” shall mean the lands on which the Series 2023A Assessments are initially levied, the legal description for which is set forth in Exhibit A hereto.

“Authorized Denomination” shall mean, with respect to the 2023A Bonds, on the date of issuance, in the denominations of \$5,000 and any integral multiple thereof, provided, however, if any initial beneficial owner of 2023A Bonds does not purchase at least \$100,000 of the 2023A Bonds at the time of initial delivery of the 2023A Bonds, such beneficial owner must execute and deliver to the District and the Underwriter on the date of delivery of the 2023A Bonds the investor letter in the form attached hereto as Exhibit C 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.

“Bond Depository” shall mean the securities depository from time to time under Section 2.01 hereof, which may be the District.

“Bond Participants” shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds 2023A Bonds as securities depository.

“Capital Improvement Program” shall mean the program of assessable capital improvements established by the District, as amended from time to time, a portion of which comprises the 2023A Project.

“Capitalized Interest” shall mean interest due or to become due on the 2023A Bonds which will be paid from the proceeds of the 2023A Bonds.

“Collateral Assignment” shall mean that certain Collateral Assignment and Assumption of Development Rights Relating to the Series 2023A Project, dated as of November __, 2023 between the District and the Landowner, as amended from time to time.

“Completion Agreement” shall mean the Agreement Regarding the Completion of Certain Improvements, dated November __, 2023, between the District and the Landowner, as amended from time to time.

“Condition #1 for Reduction of Reserve Requirement” with respect to the Series 2023 Bonds shall mean collectively (i) all lots subject to the 2023A Assessments have been developed,

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platted and conveyed to homebuilders, as certified by the District Manager, and (ii) there shall be no Events of Default under the Indenture with respect to the Series 2023 Bonds, as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of the 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 Series 2023 Bonds shall mean collectively (i) all of the principal portion of the 2023 Assessments has been assigned to residential units that have been constructed and each have received certificates of occupancy, and (ii) there shall be no Events of Default under the Indenture with respect to the Series 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 the 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 2023A Bonds, to be entered into among the District, the Landowner and Wrathell, Hunt and Associates, as dissemination agent, and for limited purposes, agreed to and acknowledged by the Trustee, dated November __, 2023 in connection with the issuance of the 2023A Bonds.

"DTC" shall mean The Depository Trust Company, New York, New York, and its successors and assigns.

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

"Indenture" shall mean the Master Indenture, as amended and supplemented by this Fifth Supplemental Indenture.

"Interest Payment Date" shall mean each May 1 and November 1, commencing November 1, 2023.

"Landowner" shall mean RH Venture II, LLC.

"Majority Owners" shall mean the Beneficial Owners of more than 50% of the principal amount of the Series 2023A Bonds Outstanding.

"Master Indenture" shall mean the Master Trust Indenture, dated as of October 1, 2005 from the District to the Trustee, as previously amended and supplemented with respect to matters pertaining solely to the Master Indenture or the Series 2023A Bonds (as opposed to supplements or amendments relating to Series of Bonds other than the Series 2023A Bonds).

"Nominee" shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this Fifth Supplemental Indenture.

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"2023A Optional Redemption Account" shall mean the Account so designated, established as a separate subaccount of the 2023A Redemption Account within the Debt Service Fund pursuant to Section 4.01(a) of this Fifth Supplemental Indenture.

"2023A Pledged Revenues" shall mean all revenues received by the District from the 2023A Assessments, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such 2023A Assessments or from the issuance and sale of tax certificates with respect to such 2023A Assessments; provided, however, that 2023A Pledged Revenues shall not include (A) any moneys transferred to the 2023A Rebate Fund, or investment earnings thereon and (B) "special assessments" levied and collected by the District under Section 190.022 of the Act for maintenance purposes or "maintenance special 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) and (B) of this proviso).

"2023A Prepayment Account" shall mean the Account so designated, established as a separate subaccount of the 2023A Redemption Account within the Debt Service Fund pursuant to Section 4.01(a) of this Fifth Supplemental Indenture.

"2023A Prepayment Principal" shall mean the excess amount of 2023A Assessment Principal received by the District over the 2023A Assessment Principal included in an 2023A Assessment appearing on any outstanding and unpaid tax bill, whether or not mandated to be prepaid in accordance with the 2023A Assessment Proceedings. Anything herein or in the Indenture to the contrary notwithstanding, the term 2023A Prepayment Principal shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

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

"2023A Project" shall mean the planning, financing, acquisition, construction, reconstruction, equipping and installation of certain infrastructure improvements consisting of roadway improvements, stormwater management facilities, entry and landscape improvements, community recreation facilities, water and sewer facilities, wetland mitigation and off-site improvements pursuant to the Act for the special benefit of the District Lands, which comprise a portion of the Capital Improvement Program, as described in the Supplement #2 to the River Hall Community Development District Engineer's Report dated October 25, 2005, which Supplement is dated February 2, 2022, prepared by Barraco and Associates, Inc., as the Project Engineer, and adopted by the District on February 2, 2023, as such improvements may be modified from time to time by the District Engineer in an Engineer's Report approved by the District.

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

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

"Redemption Date" shall mean, in the event that the 2023A Bonds are to be redeemed in part, each Quarterly Redemption Date, or, in the event that the 2023A Bonds are to be redeemed in full, any date.

"Release Conditions" shall mean all of the following: (i) all of the principal portion of the Series 2023A Assessments has been assigned to residential units that have been constructed and have been sold and closed; and (ii) no Event of Default under the Master Indenture has occurred and is continuing.

"2023A 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(e) of this Fifth Supplemental Indenture.

"2023A Assessments" shall mean the Assessments on the tax parcels identified on the tax roll attached as Exhibit A and corresponding to the 2023A Bonds.

"2023A Assessment Principal" shall mean the principal portion of the 2023A Assessments.

"2023A Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the 2023A Assessments, including, but not limited to Resolutions No. 2023-02 and 2023-03 adopted by the Governing Body of the District, and any supplemental proceedings undertaken by the District with respect to the 2023A Assessments.

"2023A Bonds" shall mean \$_____ River Hall Community Development District Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4).

"2023A Capitalized Interest Account" shall mean the Account so designated, established as a separate account within the Debt Service Fund pursuant to Section 4.01(a) of this Fifth Supplemental Indenture.

"2023A 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(e) of this Fifth Supplemental Indenture.

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

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

"2023A Investment Obligations" shall mean the investments described on Exhibit E hereto.

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

"2023A Reserve Account" shall mean the Account so designated, established as a separate account within the Reserve Fund pursuant to Section 4.01(b) of this Fifth Supplemental Indenture.

"2023A Reserve Account Requirement" shall mean (i) initially be an amount equal to the maximum annual debt service on the Series 2023A Bonds as calculated from time to time; (ii) upon the occurrence of the Condition #1 for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the Series 2023A Bonds as calculated from time to time; and (iii) upon the occurrence of the Condition #2 for Reduction of Reserve Requirement, ten percent (10%) of the maximum annual debt service on the Series 2023A Bonds as calculated from time to time. Upon satisfaction of Condition #1 for Reduction of Reserve Requirement or Condition #2 for Reduction of Reserve Requirement, as applicable, such excess amount shall be released from the 2023 Reserve Account and transferred to the General Subaccount within the 2023 Acquisition and Construction Account in accordance with the provisions of the Indenture. For the purpose of calculating the 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 be calculated as of the date of the original issuance and delivery and recalculated in connection with each extraordinary mandatory redemption of the Series 2023 Bonds from 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 2023 Reserve Account and transferred to the 2023 Prepayment Subaccount in accordance with the provisions of the Indenture. Amounts on deposit in the 2023 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2023 Bonds, be used to pay principal of and interest on the Series 2023 Bonds at that time. Initially, the 2023 Reserve Requirement shall be equal to [\$_____].

"2023A Revenue Account" shall mean the Account so designated, established as a separate account within the Revenue Fund pursuant to Section 4.01(c) of this Fifth Supplemental Indenture.

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

The words "hereof", "herein", "hereto", "hereby", and "hereunder" (except in the forms of 2023A Bonds), refer to the entire Indenture.

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

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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

AUTHORIZATION, ISSUANCE AND PROVISIONS OF 2023A BONDS

SECTION 2.01 Authorization of 2023A Bonds; Book-Entry Only Form. The 2023A Bonds are hereby authorized to be issued in the aggregate principal amount of \$_____ for the purposes enumerated in the recitals hereto to be designated "River Hall Community Development District Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4)". The 2023A Bonds shall be substantially in the form set forth as Exhibit B to this Fifth Supplemental Indenture. Each 2023A Bond shall bear the designation "2023A-R" and shall be numbered consecutively from 1 upwards.

(a) The 2023A Bonds shall be a separate Series for all purposes under the Master Indenture, including but not limited to, determining requisite percentages for consent or control by Owners and consents to amendments and the occurrence of defaults and Events of Default. The 2023A Bonds shall be secured by the 2023A Trust Estate. The 2023A Bonds are not cross defaulted with any other Series of Bonds issued under the Master Trust Indenture.

(b) The 2023A Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each Series and maturity thereof. Upon initial issuance, the ownership of each such 2023A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding 2023A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

(c) With respect to 2023A Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the 2023A Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2023A Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the 2023A Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2023A Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such 2023A Bond for the purpose of payment of principal, premium and interest with respect to such 2023A Bond, for the purpose of giving notices of redemption and other matters with respect to such 2023A Bond, for the purpose of registering transfers with respect to such 2023A Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the 2023A Bonds only to or upon the order of the respective Owners, as shown in the registration books kept by the Bond Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be

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valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, premium, if any, and interest on the 2023A Bonds to the extent of the sum or sums so paid. No person other than an Owner, as shown in the registration books kept by the Bond Registrar, shall receive a certificated 2023A Bond evidencing the obligation of the District to make payments of principal, premium, if any, and interest pursuant to the provisions hereof. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new Nominee in place of Cede & Co., and subject to the provisions herein with respect to Record Dates, the words "Cede & Co." in this Fifth Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding 2023A Bonds be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, is not in the best interest of the Beneficial Owners of the 2023A Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the 2023A Bonds shall no longer be restricted to being registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, but may be registered in whatever name or names Owners transferring or exchanging the 2023A Bonds shall designate, in accordance with the provisions hereof.

SECTION 2.02 Terms. The 2023A Bonds shall be issued as Term Bonds, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>
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SECTION 2.03 Dating; Interest Accrual. Each 2023A Bond shall be dated the date of delivery thereof. Each 2023A Bond also shall bear its date of authentication. Each 2023A Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2023A Bond has been paid, in which event such 2023A Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2023A Bonds, in which event, such 2023A Bond shall bear interest from its date. Interest on the 2023A Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2023, and shall be computed on the basis of a 360-day year of twelve 30-day months.

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SECTION 2.04 Denominations. The 2023A Bonds shall be issued in Authorized Denominations.

SECTION 2.05 Paying Agent. The District appoints the Trustee as Paying Agent for the 2023A Bonds.

SECTION 2.06 Bond Registrar. The District appoints the Trustee as Bond Registrar for the 2023A Bonds.

SECTION 2.07 Conditions Precedent to Issuance of 2023A Bonds. The 2023A Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the District or upon its order, but only upon the further receipt by the Trustee of:

(i) Certified copies of the 2023A Assessment Proceedings.

(ii) Executed copies of the Master Indenture and this Fifth Supplemental Indenture.

(iii) A Bond Counsel opinion to the effect that: (A) the District has the right and power under the Act as amended to the date of such opinion to authorize, execute and deliver this Fifth Supplemental Indenture, that it has been duly and lawfully authorized, executed and delivered by the District, is in full force and effect and is valid and binding upon the District and enforceable in accordance with its terms; (B) the Master Indenture, as amended and supplemented by this Fifth Supplemental Indenture, creates the valid pledge which it purports to create of the 2023A Trust Estate to secure the 2023A Bonds, all in the manner and to the extent provided in the Master Indenture and this Fifth Supplemental Indenture; (C) the 2023A Bonds are valid, binding, special obligations of the District, enforceable in accordance with their terms and the terms of the Indenture and this Fifth Supplemental Indenture, subject to bankruptcy, insolvency or other laws affecting the rights of creditors generally and entitled to the benefits of the Act as amended to the date of such opinion, and the 2023A Bonds have been duly and validly authorized and issued in accordance with law and the Master Indenture and this Fifth Supplemental Indenture; and (D) interest on the 2023A Bonds is excludible from gross income for federal income tax purposes.

(iv) The District Counsel opinion required by Section 207 of the Master Indenture.

(v) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the 2023A Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Fifth Supplemental Indenture with respect to the 2023A Bonds.

(vi) An Engineer's Certificate or Engineer's Certificates certifying as to the accuracy of the information set forth in the District Engineer's Report regarding the 2023A Project.

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(vii) A copy of the final judgment of validation together with a certificate of no appeal.

(viii) Such other documents, instruments, certificates and opinions as Bond Counsel shall reasonably require in order to render its opinion under (iii) above or as the Trustee may require to effect the delivery of the 2023A Bonds. The delivery by Bond Counsel of its opinion under (iii) above shall be conclusive evidence of the satisfaction of the foregoing condition.

Payment to the Trustee of the net proceeds from the issuance of the 2023A Bonds shall be conclusive evidence that the purchasers of the 2023A Bonds are satisfied that the foregoing conditions have been met.

[End of Article II]

ARTICLE III

REDEMPTION OF 2023A BONDS

SECTION 3.01 Bonds Subject to Redemption. The 2023A Bonds are subject to redemption prior to maturity as provided in the form thereof set forth as Exhibit B to this Fifth Supplemental Indenture. Interest on 2023A Bonds which are called for redemption shall be paid on the Redemption Date from the 2023A Interest Account or from the 2023A Revenue Account to the extent monies in the 2023A Interest Account are insufficient for such purpose.

SECTION 3.02 Notice of Redemption. When required to redeem 2023A Bonds under any provision of this Fifth Supplemental Indenture or directed to redeem 2023A Bonds by the District, the Trustee shall give or cause to be given to Owners of the 2023A Bonds to be redeemed notice of the redemption, as set forth in Section 302 of the Master Indenture, provided that if at the time of mailing of notice of an optional redemption or purchase, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all the 2023A Bonds called for redemption or purchase, such notice shall state that the redemption 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 opening of business on the redemption or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

SECTION 3.03 Prepayment By Cancellation of Bonds Permitted. Any landowner or any Person, on behalf of such landowner, may deliver to the District or the Trustee 2023A Bonds purchased or otherwise acquired in the open market for cancellation, or may arrange for the purchase of 2023A Bonds by the Trustee at a purchase price at or below the par amount thereof, with funds provided by the landowner in an amount equal to such purchase price, whereupon the Trustee shall cancel the 2023A Bonds so delivered or purchased and such cancellation of 2023A Bonds shall be treated as an optional prepayment of the 2023A Assessments, in an amount equal to the principal amount and accrued interest of 2023A Bonds so surrendered or purchased and cancelled. The lien of the 2023A Assessments shall be reduced to reflect such prepayment. The landowner may designate the specific lots or parcels owned by such landowner to which such prepayment shall apply and the amount prepaid with respect to each lot or parcel. The Amortization Installments with respect to 2023A Bonds remaining Outstanding shall be adjusted as provided in Section 4.05 hereof.

[End of Article III]

ARTICLE IV

CONFIRMATION OF ESTABLISHMENT AND MAINTENANCE OF ACCOUNTS AND OPERATION THEREOF

SECTION 4.01 Establishment of Accounts.

(a) There are hereby established in the Debt Service Fund held by the Trustee (i) 2023A Debt Service Account and therein a 2023A Principal Account, a 2023A Sinking Fund Account, a 2023A Interest Account and a 2023A Capitalized Interest Account; and (ii) a 2023A Redemption Account and therein a 2023A Prepayment Subaccount and a 2023A Optional Redemption Subaccount;

(b) There is hereby established within the Reserve Fund held by the Trustee a 2023A Reserve Account, which shall be held for the benefit of all of the 2023A Bonds, without distinction and without privilege or priority of one 2023A Bond over another;

(c) There is hereby established within the Revenue Fund held by the Trustee a 2023A Revenue Account;

(d) There is hereby established within the Rebate Fund held by the Trustee a 2023A Rebate Account; and.

(e) There is hereby established within the Acquisition and Construction Fund held by the Trustee a 2023A Costs of Issuance Account and a 2023A Acquisition and Construction Account.

SECTION 4.02 Use of 2023A Bond Proceeds. Following the Trustee's receipt of the items set forth in Section 207 of the Master Indenture and Section 2.07 hereof, the net proceeds of sale of the 2023A Bonds, \$_____ (par amount of the 2023A Bonds less an original issue discount of \$_____ and an underwriter's discount of \$_____), shall be delivered to the Trustee by the District and be applied as follows:

(a) \$_____ representing Capitalized Interest shall be deposited in the 2023A Capitalized Interest Subaccount of the 2023A Interest Account of the Debt Service Fund,

(b) \$_____ (which is an amount equal to the initial 2023A Reserve Account Requirement in respect of the 2023A Bonds) shall be deposited in the 2023A Reserve Account of the Reserve Fund,

(c) \$_____ shall be deposited in the 2023A Costs of Issuance Account of the Acquisition and Construction Fund to be applied to costs of issuance as directed in writing by the District. Six months after the issuance of the Series 2023A Bonds, any moneys remaining in the Series 2023A Costs of Issuance Account in excess of the costs of issuing the Series 2023A Bonds requested to be disbursed by the District shall be transferred into the 2023A Acquisition and Construction Account of the Acquisition and Construction Fund and the 2023A Costs of Issuance Account shall be closed.

(d) \$_____ constituting all remaining proceeds of the 2023A Bonds, shall be deposited in the 2023A Acquisition and Construction Account of the Acquisition and Construction Fund.

SECTION 4.03 2023A Acquisition and Construction Account. (a) Amounts deposited to the 2023A Acquisition and Construction Account shall be applied to Costs of the 2023A Project in accordance with Article IV of the Master Indenture and this Fifth Supplemental Indenture.

(b) The District shall not declare that the Date of Completion of the 2023A Project has occurred until after the Reserve Account Release Conditions have been satisfied, and all moneys transferred from the 2023A Debt Service Reserve Account to the 2023A Acquisition and Construction Account have been expended or the Consulting Engineer has certified in writing to the District and the Trustee that such amount is in excess of what is needed to complete the 2023A Project. The Trustee shall have no obligation to inquire if Reserve Account Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Reserve Account Release Conditions have not occurred.

SECTION 4.04 2023A Reserve Account. (a) Except as otherwise provided in this Section 4.04 or in the Master Indenture, amounts on deposit in the 2023A Reserve Account shall be used only for the purpose of making payments into the 2023A Interest Account, the 2023A Principal Account and the 2023A Sinking Fund Account to pay Debt Service on the 2023A Bonds, when due, without privilege or priority of one 2023A Bond over another, to the extent the moneys on deposit in such Accounts and available therefor are insufficient and for no other purpose. Such Account shall consist only of cash and 2023A Investment Obligations. The 2023A Reserve Account is held solely for the benefit of, and as security for, the 2023A Bonds and amounts therein shall not be available or be used for the purpose of making any payments with respect to any other Bonds.

(b) On each December 15, March 15, June 15 and September 15 (or, if such date is not a Business Day, on the Business Day preceding such day), the Trustee shall determine the amount on deposit in the 2023A Reserve Account and transfer any excess therein above the 2023A Reserve Account Requirement (other than as a result of optional prepayment of a 2023A Assessment which shall be applied as provided in the succeeding paragraph or as a result of investment earnings which shall be deposited into the 2023A Revenue Account as required by Section 510 of the Master Indenture), to the 2023A Prepayment Subaccount of the 2023A Redemption Account for the extraordinary mandatory redemption of 2023A Bonds.

(c) On each December 15, March 15, June 15 and September 15 (or, if such date is not a Business Day, on the Business Day preceding such day), in the event that the amount of proceeds of the 2023A Bonds on deposit in the 2023A Reserve Account exceeds the 2023A Reserve Account Requirement due to a decrease in the amount of 2023A Bonds that will be outstanding as a result of an optional prepayment by the owner of a lot or parcel of land of a 2023A Assessment against such lot or parcel, such excess shall be transferred to the 2023A Prepayment Subaccount of the 2023A Redemption Account (and the District shall include such excess as a credit against the 2023A Prepayment Principal otherwise required to be made by the

owner of such lot or parcel) to be used for the extraordinary mandatory redemption of 2023A Bonds.

(d) On the date of prepayment of a 2023A Assessment by cancellation of 2023A Bonds pursuant to Section 3.03 hereof, in the event that the amount on deposit in the 2023A Reserve Account exceeds the 2023A Reserve Account Requirement due to a decrease in the amount of 2023A Bonds that will be outstanding as a result of such prepayment by such 2023A Assessment, such excess shall be transferred to the 2023A Prepayment Account of the 2023A Redemption Account (and the District shall include such excess as a credit against the 2023A Prepayment Principal otherwise required to be made by the owner of such lot or parcel) to be used for the extraordinary mandatory redemption of 2023A Bonds.

(e) Any excess in the 2023A Debt Service Reserve Account as a result of satisfaction of the Reserve Account Release Conditions shall be deposited into the 2023A Acquisition and Construction Account. The District or the District Manager, on behalf of the District, shall provide written notice to the Trustee when the Reserve Account Release Conditions have been satisfied, upon which notice the Trustee may conclusively rely. The Trustee shall have no obligation to inquire if Reserve Account Release Conditions have occurred and, in the absence of notice from the District, the Trustee may assume that the Reserve Account Release Conditions have not occurred.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, on the earliest date on which there is on deposit in the 2023A Reserve Account sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2023A Bonds, together with accrued interest and redemption premium, if any, on such 2023A Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the 2023A Reserve Account into the 2023A Prepayment Subaccount in the 2023A Redemption Account to pay and redeem all of the Outstanding 2023A Bonds on the earliest date permitted for redemption therein and herein.

SECTION 4.05 Amortization Installments.

(a) The Amortization Installments established for the 2023A Bonds shall be as set forth in the forms of the 2023A Bonds attached hereto.

(b) Upon any redemption of 2023A Bonds (other than 2023A Bonds redeemed in accordance with scheduled Amortization Installments) and upon any cancellation of 2023A Bonds upon surrender to the Trustee (including any surrender pursuant to Section 3.03 hereof), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so as to amortize the Outstanding 2023A Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the 2023A Bonds.

SECTION 4.06 Tax Covenants and Rebate Accounts. The District shall comply with the agreements, covenants and instructions set forth in the Tax Certificate executed by the District simultaneously herewith, a copy of which is attached as Exhibit C hereto, as amended and supplemented from time to time in accordance with their respective terms.

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Trustee shall then transfer amounts on deposit in the 2023A Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the 2023A Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2023A Bonds then Outstanding on such May 1 or November 1, less any other amount already on deposit in the 2023A Interest Account not previously credited (including amounts transferred from the 2023A Capitalized Interest Account pursuant to Section 505 of the Master Indenture);

SECOND, to the 2023A Principal Account, the amount, if any, equal to the difference between the principal all 2023A Bonds due on such May 1 (or, with respect to each November 1, the next ensuing May 1), and the amount already on deposit in the 2023A Principal Account not previously credited;

THIRD, to the 2023A Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all 2023A Bonds subject to mandatory sinking fund redemption on such May 1 (or, with respect to each November 1, the next ensuing May 1), and the amount already on deposit in the 2023A Sinking Fund Account not previously credited; and

FOURTH, to the 2023A Reserve Account, the maximum amount which will not cause the balance therein to exceed the 2023A Reserve Account Requirement.

Anything herein to the contrary notwithstanding, it shall not, a fortiori, constitute an Event of Default hereunder if the full amount of the foregoing deposits are not made due to an insufficiency of funds therefor.

(e) On any date required by the Tax Certificate, the District shall give the Trustee written direction, and the Trustee shall, transfer from the 2023A Revenue Account to the Rebate Account established for the 2023A Bonds in the Rebate Fund in accordance with the Master Indenture, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Certificate.

(f) After making the transfers described above, the Trustee shall retain any excess in the 2023A Revenue Account or, at the written direction of the District, shall transfer to the District the balance on deposit in the 2023A Revenue Account on November 2 of any year to be used for any lawful District purpose; provided, however, that on the date of such proposed transfer the amount on deposit in the 2023A Reserve Account shall be equal to the 2023A Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Master Indenture or hereunder relating to any of the 2023A Bonds, including the payment of Trustee's fees and expenses then due.

(g) Anything herein or in the Master Indenture to the contrary notwithstanding, amounts in all of the Funds and Accounts held as security for the 2023A Bonds shall be invested only in 2023A Investment Obligations, and all earnings thereon shall be deposited, as realized, to the 2023A Revenue Account and applied for the purposes of such Account.

[End of Article IV]

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SECTION 4.07 2023A Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.

(a) The District shall deposit into 2023A Revenue Account the amounts required to be deposited therein in accordance with the provisions of this Fifth Supplemental Indenture. The 2023A Revenue Account 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 and for the sole benefit of the 2023A Bonds.

(b) The District shall deposit all revenues received by the District from the 2023A Assessments with the Trustee immediately upon receipt together with a written accounting setting forth the amounts of such 2023A Assessments which are in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

(i) 2023A Prepayment Principal, which shall be deposited into the 2023A Prepayment Subaccount in the Redemption Account; and

(ii) all other revenues from the 2023A Assessments, which shall be deposited into the 2023A Revenue Account.

Moneys other than 2023A Assessments received by the Trustee in respect of the 2023A Assessments or 2023A Bonds shall, at the written direction of the District, be deposited into the 2023A Optional Redemption Subaccount of the 2023A Redemption Account and used to pay the principal of and premium, if any, on 2023A Bonds called or to be called for optional redemption at the written direction of the District in accordance with the provisions for optional redemption of 2023A Bonds as set forth in the form of 2023A Bonds attached hereto.

(c) On the December 15, March 15, June 15 or September 15, as applicable, preceding each Quarterly Redemption Date (or if such date is not a Business Day, on the Business Day next preceding such date), the Trustee shall determine the amount on deposit in the 2023A Prepayment Subaccount of the 2023A Redemption Account, and, if the balance therein is greater than zero, shall transfer from the 2023A Revenue Account for deposit into the 2023A Prepayment Subaccount (but only after confirming that such transfer will not result in a deficiency in any of the transfers required by Section 4.07(d) below), an amount sufficient to increase the amount on deposit therein to an integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of the 2023A Bonds on the next succeeding Quarterly Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the 2023A Prepayment Subaccount in accordance with the provisions for extraordinary redemption of such Series of 2023A Bonds set forth in the form of 2023A Bond attached hereto, Section 3.01 hereof, and Article III of the Master Indenture. The Trustee is hereby authorized and directed to withdraw from the corresponding Interest Account, the amount of interest accrued or to accrue on 2023A Bonds to be redeemed to the Quarterly Redemption Date therefor.

(d) On each May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), commencing May 1, 202_, the

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ARTICLE V

ASSESSMENT COVENANTS AND PROVISIONS

SECTION 5.01 Additional Covenant Regarding 2023A Assessments. In addition, and not in limitation of, the covenants contained elsewhere in this Fifth Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the 2023A Assessments, including the assessment methodology report, prepared by Wrathell, Hunt and Associates (the "Assessment Methodology Report"), and to levy the 2023A Assessments and any required true up payments as set forth in the Assessment Methodology Report, in such manner as will generate funds sufficient to pay the principal of and interest on the 2023A Bonds, when due.

SECTION 5.02 Collection of Assessments. Pursuant to Section 9.04 of the Master Trust Indenture and subject to the District entering into a Property Appraiser and Tax Collector Agreement, 2023A Assessments levied on platted lots and pledged hereunder to secure the 2023A Bonds will be collected pursuant to the uniform method for the levy, collection and enforcement of special assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended, provided, however, that notwithstanding Section 9.04 or Section 9.05 of the Master Indenture, the District may, and shall at the written direction of the Majority Owners, collect 2023A Assessments on any lands as to which there are delinquent 2023A Assessments by foreclosure 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, or pursuant to the provisions of Chapter 173, Florida Statutes, and Sections 190.026 and 170.10, Florida Statutes, or otherwise as provided by law.

SECTION 5.03 Additional Matters Relating to Delinquent Assessments.

(a) Notwithstanding anything herein or in the Master Indenture to the contrary, the following provisions shall apply with respect to the 2023A Assessments and 2023A Bonds: If any property shall be offered for sale at a foreclosure sale for the nonpayment of any 2023A Assessments, and no person or persons shall purchase such property for an amount equal to the full amount due on the 2023A Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the District, after receiving the written consent of the Trustee, acting at the direction of the Majority Owners of the 2023A Bonds Outstanding, specifying whether the District is to take title to the property in its corporate name or in the name of a special purpose entity, may purchase the property for an amount less than or equal to the balance due on the 2023A Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District or by credit bidding any final foreclosure judgment and the District shall receive in its corporate name or in the name of a special-purpose entity title to the property for the benefit of the Owners of the 2023A Bonds and the District, in its proportionate share, to the extent that operation and maintenance assessments were also subject to the foreclosure resulting in such foreclosure sale. The District, either through its own actions, or actions caused to be taken by the District through the Trustee (acting at the written direction of the Majority Owners of the 2023A Bonds Outstanding and being indemnified to its satisfaction), shall have the power to and shall lease or sell such property, and deposit all of the

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net proceeds of any such lease or sale into the 2023A Revenue Account (less the proportionate amount the District may be due from the foreclosure of any operation and maintenance assessments). The District, either through its own actions, or actions caused to be taken by the District through the Trustee (acting at the written direction of the Majority Owners of the 2023A Bonds Outstanding and being indemnified to its satisfaction), agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the Owners of the 2023A Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee, acting at the written direction of the Majority Owners of the 2023A Bonds Outstanding. The District may pay costs associated with any actions taken by the District or the Trustee pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture, provided such action does not adversely impact the tax-exempt status of the interest on the 2023A Bonds.

(b) Notwithstanding anything to the contrary herein or in the Master Indenture, the District acknowledges and agrees that (i) upon failure of any property owner to pay when due any installment of 2023A Assessments that are billed directly by the District, that the entire 2023A Assessments levied on the property for which such installment of 2023A Assessments is due and unpaid, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and, with the written consent of the Trustee, acting at the direction of the Majority Owners of the 2023A Bonds Outstanding, the District shall promptly, but in any event within one hundred twenty (120) days of the receipt of such consent, cause to be brought the necessary legal proceedings for the foreclosure of liens of the delinquent 2023A Assessments, including interest and penalties and (ii) unless some alternative resolution to such proceedings is agreed to with the Trustee and Majority Owners' consent, the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages.

(c) For the avoidance of doubt and notwithstanding anything to the contrary herein, the Trustee shall only be required to act under this Section 5.03 to the extent it receives timely written directions upon which it may conclusively rely from the Majority Owners and has been indemnified to its satisfaction.

SECTION 5.04 Additional Matters Relating to 2023A Assessments and 2023A Assessment Proceedings. The District covenants and agrees that upon the occurrence and continuance of an Event of Default with respect to the 2023A Bonds, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of delinquent 2023A Assessments that are directly billed and collected by the District, and the provisions for the foreclosure of liens of delinquent 2023A Assessments that are directly billed and collected by the District, all in a manner consistent with the Master Indenture and this Fifth Supplemental Indenture, unless otherwise directed by the Majority Owners. All 2023A Assessments that are billed and collected directly by the District shall be due and payable by the applicable landowner no later than thirty (30) days prior to each Interest Payment Date and shall become delinquent thereafter.

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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 and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the 2023A Assessments relating to the 2023A Bonds Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) The District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceedings or take any other action in such Proceedings, which is adverse to Trustee's enforcement or the District's claim and rights with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the 2023A Assessments pledged to the 2023A Bonds Outstanding, (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.

(c) Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for operation and maintenance Assessments, and the District shall be free to pursue such claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for operation and maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding 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 clause (b)(iv) above.

(d) Notwithstanding anything herein to the contrary, the Trustee shall only act in connection with a Proceeding upon timely written direction of the Majority Owners, upon which the Trustee may conclusively rely, together with indemnity satisfactory to the Trustee sufficient to cover any fees, costs and expenses (including attorney's fees, costs and expenses) of the Trustee or that may be incurred by the Trustee in connections with such Proceeding. The Trustee shall have no liability for any failure to act with respect to any Proceeding if it does not receive such written direction and indemnity in a sufficiently timely manner in order for the Trustee to meet any deadline, applicable to such Proceeding and the Trustee shall be entitled to all of the rights and protections granted to it under Article XI of the Master Indenture regardless of whether there exists an Event of Default. The District shall notify a Responsible Officer of the Trustee in writing (the "Bankruptcy Notice") within 10 business days from the day it obtains

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SECTION 5.05 Provisions relating to Bankruptcy or Insolvency of Taxpayer.

(a) The provisions of this Section 5.05 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 at least eight percent (8%) of the 2023A Assessments pledged to the 2023A Bonds Outstanding (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").

(b) The District acknowledges and agrees that, although the 2023A Bonds were issued by the District, the Owners of the 2023A 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 an Insolvent Taxpayer:

(i) the District hereby agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the 2023A Bonds Outstanding, prior to 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 Proceedings or in any action related to a Proceeding that affects, either directly or indirectly, the 2023A Assessments relating to the 2023A Bonds Outstanding, the Outstanding 2023A Bonds or any rights of the Trustee under the Indenture (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the 2023A Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following receipt by the Trustee of the written request for consent);

(ii) the District 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 2023A Assessments relating to the 2023A Bonds Outstanding, the 2023A Bonds Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District hereby agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the 2023A Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following receipt by the Trustee of the written request for consent);

(iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the 2023A Assessments relating to the 2023A Bonds Outstanding would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all rights and taking any

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knowledge of any Proceeding. In addition to giving notice of the Proceeding in reasonable detail, the Bankruptcy Notice shall also specifically reference this Section 5.05(d). In the event that the Trustee receives any moneys as the result of a Proceeding, the Trustee shall first reimburse any of its outstanding fees and/or the fees, costs and expenses incurred in connection with the Proceedings (including attorney's fees, costs and expenses) prior to otherwise distributing such moneys. from the Majority Owners and has been indemnified to its satisfaction.

[End of Article V]

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ARTICLE VI

LIMITATION ON ADDITIONAL BONDS

SECTION 6.01 Limitation on Additional Bonds. (a) Other than Bonds issued to refund a portion of Outstanding 2023A Bonds, the issuance of which as determined by the District results in present value debt service savings, the District shall not issue or incur any debt payable in whole or in part from the 2023A Pledged Revenues other than the 2023A Bonds.

(b) So long as there are any 2023A Bonds Outstanding, the District shall not issue any Bonds or other debt obligations (the "Additional Bonds"), secured by Assessments on any parcels within Assessment Area 4 until at least seventy-five percent (75%) of the principal amount of the 2023A Assessments have been allocated to tax parcels with respect to which a certificate of occupancy has been issued for a structure thereon.

(c) The provisions of the preceding Subsection (b) shall not apply to any Bonds or other debt obligations secured by Assessments on properties other than Assessment Area 4. Further, notwithstanding such restriction, the District may issue Bonds secured by Assessments on Assessment Area 4 for the health, safety, welfare or repairs.

(d) Prior to the delivery of any such Additional Bonds or other debt obligations, the District will deliver a written certificate from the District Manager to the Trustee on which it may conclusively rely that all of the applicable conditions set forth above have been met.

[End of Article VI]

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ARTICLE VIII

MISCELLANEOUS PROVISIONS

SECTION 8.01 Amendment of Master Indenture. Anything herein or in the Master Indenture to contrary notwithstanding, the District agrees that Chapter 170.10, Florida Statutes provides that in the event an installment of a directly collected 2023A Assessment is not paid when due, the balance of the installments of such 2023A Assessment shall immediately become due and payable and the District shall commence foreclosure proceedings against the property subject to the lien of such delinquent 2023A Assessment. The District covenants and agrees to enforce the provision of Chapter 170.10, Florida Statutes, against the owner or owners of any tax parcel subject to a delinquent directly collected 2023A Assessment if so directed in writing by the Majority Owners.

Subject to this Section 8.01, the provisions of Sections 904 through 906 of the Master Indenture shall apply to the enforcement of any such remedial actions with respect to a delinquent 2023A Assessment, including the ability of the Majority Owners of the 2023A Bonds to direct proceedings and to direct application of the proceeds of any foreclosure of the 2023A Assessments notwithstanding that the existence of such delinquent 2023A Assessment may not constitute a default or an Event of Default in accordance with the provisions of Section 1002 of the Master Indenture. Section 903 of the Master Indenture shall not apply to the 2023A Bonds; notwithstanding anything to the contrary in the Master Indenture, the 2023A Bonds shall not be subject to acceleration.

SECTION 8.02 Additional Matters Relating to Events of Default. In addition to the events set forth in Section 901 of the Master Indenture, each of the following events shall be an Event of Default with respect to the 2023A Bonds, notwithstanding anything to the contrary in the Master Indenture, and references in the Master Indenture and herein to an Event of Default with respect to the 2023A Bonds shall include the following events:

(a) Any portion of the 2023A Assessments pledged to the 2023A Bonds shall have become delinquent and, as the result thereof, the Indenture authorizes the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in 2023A Reserve Account to pay the Debt Service Requirements on the 2023A Bonds (regardless of whether the Trustee does or does not actually withdraw such funds from the 2023A Reserve Account to pay the Debt Service Requirements on the 2023A Bonds) (the foregoing being referred to as a "Reserve Account Event") unless within sixty (60) days from the Reserve Account Event the District has either (i) replenished the amounts, if any, withdrawn from the 2023A Reserve Account or (ii) the portion of the delinquent 2023A Assessments giving rise to the Reserve Account Event are paid and are no longer delinquent 2023A Assessments; and

(b) More than fifteen percent (15%) of the operation and maintenance assessments that are directly billed by the District and levied by the District on tax parcels subject to the 2023A Assessments are not paid by the date such are due and payable and such default continues for sixty (60) days after the date when due. The District shall give written notice to the Trustee

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ARTICLE VII

CONCERNING THE TRUSTEE

SECTION 7.01 Acceptance by Trustee. The Trustee accepts the trusts declared and provided in this Fifth Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth in the Indenture.

SECTION 7.02 Limitation of Trustee's Responsibility. The Trustee shall not be responsible in any manner for the due execution of this Fifth Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

SECTION 7.03 Trustee's Duties. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article VI thereof.

SECTION 7.04 Brokerage Confirmations. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost, as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

SECTION 7.05 Patriot Act of 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 identified each person who opens an account. For a non-individual person such as 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.

[End of Article V]

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of the occurrence of the events set forth in this paragraph (b) not later than 10 days after the end of the sixty day period referred to in the preceding sentence. The Trustee shall not be deemed to have knowledge of the occurrence of such an Event of Default absent notice thereof from the District.

Further, notwithstanding anything to the contrary in the Master Indenture, references in the Master Indenture to "the Owners of not less than 51% of the aggregate principal amount of Bonds the Outstanding" shall mean, with respect to the 2023A Bonds, the Majority Owners.

SECTION 8.03 Confirmation of Master Indenture. As supplemented and amended by this Fifth Supplemental Indenture, the Indenture is in all respects ratified and confirmed, and this Fifth Supplemental Indenture shall be read, taken and construed as a part of the Master Indenture so that all of the rights, remedies, terms, conditions, covenants and agreements of the Master Indenture, except insofar as modified herein, shall apply and remain in full force and effect with respect to this Fifth Supplemental Indenture and to the 2023A Bonds issued hereunder.

SECTION 8.04 Assignment of Collateral Assignment. The District may assign its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the 2023A Bonds. Such assignment shall not be considered an assumption by the Trustee of any obligations thereunder.

SECTION 8.05 Continuing Disclosure Agreement. Contemporaneously with the original execution and delivery of 2023A Bonds, the District will execute and deliver a Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder; but, instead shall be enforceable by mandamus, injunction or any other means of specific performance.

SECTION 8.06 Payment Dates. In any case in which an Interest Payment Date, redemption date or the maturity date of the Series 2023A Bonds or the date fixed for the redemption of any Series 2023A 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 8.07 Amendments. Any amendments to this Fifth Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

SECTION 8.08 Counterparts. This Fifth Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

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SECTION 8.09 Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Fifth Supplemental Indenture are hereby incorporated herein and made a part of this Fifth Supplemental Indenture for all purposes.

SECTION 8.10 No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owners of the 2023A Bonds.

[End of Article VII]

IN WITNESS WHEREOF, River Hall Community Development District has caused this Fifth Supplemental Trust Indenture to be executed by the Chairman 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 Fifth Supplemental Trust Indenture to be executed by one of its Assistant Vice Presidents all as of the day and year first above written.

RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT

[SEAL]

Attest:

By: _____

Chairman, Board of Supervisors

Secretary, Board of Supervisors

U.S. BANK TRUST COMPANY,
NATIONAL ASSOCIATION, AS
TRUSTEE, PAYING AGENT AND
REGISTRAR

By: _____

Assistant Vice President

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EXHIBIT A
Assessment Roll
Assessment Area 4

EXHIBIT B-1
[FORM OF 2023A BOND]
RA-1 \$ _____
UNITED STATES OF AMERICA
STATE OF FLORIDA
RIVER HALL COMMUNITY DEVELOPMENT DISTRICT
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2023A
(ASSESSMENT AREA 4)

Interest Rate	Maturity Date	Dated Date	CUSIP
___%	May 1, 20__	_____, 2023	

REGISTERED OWNER: CEDE & CO.
PRINCIPAL AMOUNT:

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture mentioned hereinafter) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on November 1, 2023, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular record date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or, if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond

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B-1-1

Registrar as the registered Owner of this Bond. Except as provided herein, any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of designated corporate trust office of U.S. Bank Trust Company, National Association located in Fort Lauderdale, Florida as paying agent, or any alternate or successor paying agent (collectively, the "Paying Agent"). Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular record date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the 2023A Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year of twelve 30-day months.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE MASTER INDENTURE OR IN THE SUPPLEMENTAL INDENTURE AUTHORIZING THE ISSUANCE OF THE 2023A BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE 2023A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE MASTER INDENTURE, THE SUPPLEMENTAL INDENTURE, OR THE 2023A BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2023A PLEDGED REVENUES AND THE 2023A PLEDGED FUNDS AND ACCOUNTS PLEDGED TO THE 2023A BONDS, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE FIFTH SUPPLEMENTAL INDENTURE.

This Bond is one of an authorized series of Bonds of River Hall Community Development District (the "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") designated as "River Hall Community Development District Capital Improvement Revenue Bonds, 2023A" (the "2023A Bonds"), in the aggregate principal amount of \$_____ of like date, tenor and effect, except as to maturity date, interest rate and number, issued by the District to (i) finance a portion of the Cost of acquisition, construction, installation and equipping of a portion of the District's Capital Improvement Program; (ii) pay interest on the 2023A Bonds through _____, 202_, (iii) pay certain costs associated with the issuance of the 2023A Bonds; and (iv) fund a 2023A Reserve Account for the 2023A Bonds.

The 2023A Bonds are issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, and are issued under, and are secured and governed by, a

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Bonds may be exchanged for an equal aggregate principal amount of 2023A Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The 2023A Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20__ (less than all 2023A Bonds to be selected by lot) at the Redemption Price of equal to the par amount thereof, together with accrued interest to the date of redemption.

The 2023A Bonds maturing on May 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Principal Amount \$
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*

* Maturity.

The 2023A Bonds maturing on May 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Principal Amount \$
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*

* Maturity.

The 2023A Bonds maturing on May 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount

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Master Trust Indenture dated as of October 1, 2005 (the "Master Indenture"), by and between the District and the Trustee and a Fifth Supplemental Trust Indenture dated as of November 1, 2023 (the "Fifth Supplemental Indenture"), each by and between the District and the Trustee (the Master Indenture and the Fifth Supplemental Indenture together are referred to herein as the "Indenture"). Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the 2023A Bonds, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Maturity Amount and Redemption Price of, and the interest on, the 2023A Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Assessments (as defined in the Indenture), the terms and conditions under which the 2023A Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the 2023A Bonds, and, by the acceptance of this 2023A Bond, the Owner hereof assents to all of the provisions of the Indenture. The 2023A Bonds are equally and ratably secured by the 2023A Trust Estate, without preference or priority of one 2023A Bond over another. The Indenture does not authorize the issuance of any additional Bonds ranking on a parity with the 2023A Bonds as to the lien and pledge of the 2023A Trust Estate, other than certain refunding Bonds.

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the District, Lee County, Florida (the "County"), the State, or any other political subdivision thereof, or taxation in any form of any real or personal property of the District, 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 2023A Assessments to be assessed and levied by the District as set forth in the Indenture.

The 2023A Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"); provided, however, if any initial beneficial owner of 2023A Bonds does not purchase at least \$100,000 of the 2023A Bonds at the time of initial delivery of the 2023A Bonds, such beneficial owner must execute and deliver to the District and the Underwriter on the date of delivery of the 2023A Bonds the investor letter in the form attached to the Sixth Supplemental Indenture as Exhibit C 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. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Fort Lauderdale, Florida, as Bond Registrar (the "Bond Registrar"), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new 2023A Bond or Bonds, in the same aggregate principal amount as the 2023A Bond or Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, 2023A

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thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Principal Amount \$
-----------------	---------------------------

*

* Maturity.

The 2023A Bonds maturing on May 1, 20__ are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2023A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

Year (May 1)	Principal Amount \$
-----------------	---------------------------

*

* Maturity.

The 2023A Bonds are subject to extraordinary mandatory redemption prior to maturity, in whole on any date or in part on any February 1, May 1, August 1 or November 1, in the manner determined by the Bond Registrar, at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

(a) from 2023A Prepayment Principal (as defined in the Indenture) deposited into the 2023A Prepayment Subaccount of the 2023A Redemption Account;

(b) on or after the Completion Date of the Series 2023A Project, by application of moneys remaining in the 2023A Acquisition and Construction Account of the Acquisition and Construction Fund not reserved by the Issuer for the payment of any remaining part of the Cost of the 2023A Project, all of which shall be transferred to the 2023A Redemption Account of the Debt Service Fund and credited toward extinguishment of the 2023A Assessments and applied toward the redemption of the 2023A Bonds, in accordance with the manner it has credited such excess moneys toward

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extinguishment of 2023A Assessments, which the Issuer shall describe to the Trustee in writing; or

(c) from amounts transferred to the 2023A Prepayment Subaccount of the 2023A Redemption Account resulting from a reduction in the 2023A Reserve Account Requirement as provided for in the Indenture, and, on the date on which the amount on deposit in the 2023A Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the 2023A Bonds then Outstanding, including accrued interest thereon.

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

Notice of each redemption of 2023A Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each registered Owner of 2023A Bonds to be redeemed at the address of such registered Owner recorded on the bond register maintained by the Bond Registrar. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Indenture, the 2023A 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 2023A Bonds or such portions thereof on such date, interest on such 2023A Bonds or such portions thereof so called for redemption shall cease to accrue, such 2023A Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such 2023A 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 Bond 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.

This Bond shall be issued initially pursuant to a book-entry-only system administered by The Depository Trust Company, New York, New York ("DTC"), which shall act as securities depository for the 2023A Bonds, with no physical distribution of 2023A Bonds to be made. Any provisions of the Indenture or this Bond requiring physical delivery of 2023A Bonds shall, under the book-entry-only system, be deemed to be satisfied by a notation on the records maintained by DTC of ownership interests of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the 2023A Bonds ("Beneficial Owners").

This 2023A 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 DTC Participants shall be the responsibility of DTC.

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Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any 2023A Bond which remain unclaimed for six (6) years after the date when such 2023A Bond has become due and payable, either at its stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such 2023A Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Federal Securities (as defined in the Indenture) sufficient to pay the principal or redemption price of any 2023A Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the 2023A Bonds as to the 2023A Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the 2023A 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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Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to individual Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the District or the Trustee.

The District shall keep books for the registration of the 2023A Bonds at the designated corporate trust office of the Registrar in Fort Lauderdale, Florida. Except when registration of the 2023A Bonds is being maintained pursuant to a book-entry-only system, the 2023A 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 District 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 2023A Bonds is exercised, the District shall execute and the Trustee or such other authenticating agent as may be appointed by the Trustee under the Indenture shall authenticate and deliver a new 2023A Bond or 2023A Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Indenture. There shall be no charge for any such exchange or transfer of 2023A Bonds, but the District may require payment of a sum sufficient to pay any tax, fee or other governmental charge imposed. Neither the District nor the Registrar shall be required (a) to transfer or exchange 2023A Bonds for a period of 15 days next preceding any selection of 2023A Bonds to be redeemed or thereafter until after the mailing of any notice of redemption; or (b) to transfer or exchange any 2023A Bond called for redemption in whole or in part.

The District, the Trustee, the Paying Agent and the Registrar may deem and treat the person in whose name any 2023A Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such 2023A Bond shall be overdue and notwithstanding any notation of ownership or other writing thereon made by anyone other than the District, 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 2023A 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 2023A Bond to the extent of the sum or sums so paid, and neither the District, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

The owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Indenture or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

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

Modifications or alterations of the Master Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Master Indenture.

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IN WITNESS WHEREOF, RIVER HALL COMMUNITY DEVELOPMENT DISTRICT has caused this Bond to be signed by the manual signature of the Chairman of its Board of Supervisors and a facsimile of its seal to be imprinted hereon, and attested by the manual signature of the Secretary of its Board of Supervisors, all as of the date hereof.

River Hall Community Development District

By: _____
Chairman, Board of Supervisors

(SEAL)

Attest:

By: _____
Secretary
Board of Supervisors

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CERTIFICATE OF AUTHENTICATION

This Bond is one of the 2023A Bonds delivered pursuant to the within mentioned Indenture.

Date of Authentication: _____

U.S. Bank Trust Company, National
Association, as Trustee

By: _____
Authorized Officer

STATEMENT OF VALIDATION

This Bond is one of a series of Bonds which were validated by judgment of the Circuit Court in and for Lee County, Florida, rendered on August 29, 2005.

RIVER HALL COMMUNITY DEVELOPMENT
DISTRICT

Chairman

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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 the right of survivorship and not as tenants in common

UNIFORM GIFT MIN ACT - _____ Custodian
(Cust) (Minor)
under Uniform Gifts to Minors Act
(State)

Additional abbreviations may also be used though not in the above list.

ASSIGNMENT

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or
Employer Identification
Number of Transferee:

Signature guaranteed:

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatever.

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EXHIBIT C

[TAX CERTIFICATE AND TAX COVENANTS]

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**EXHIBIT D
FORM OF INVESTOR LETTER**

[Date]

River Hall Community Development District
c/o Wrathell, Hunt and Associates
Tampa, Florida

FMSbonds, Inc.
North Miami Beach, Florida

Re: \$ _____ River Hall Community Development District Capital Improvement
Revenue Bonds, Series 2023A

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 maturing on May 1, _____, bearing interest at the rate of ____% per annum and CUSIP # _____ (herein, the "Investor Bonds").

The undersigned acknowledges that the Bonds were issued by the River Hall Community Development District Capital (the "District") for the purpose of providing a portion of the funds necessary to re-finance the acquisition and construction of certain public infrastructure described in the Offering Document referred to below and to pay for costs of issuance. The undersigned further acknowledges that the Bonds, which include the Investor Bonds, are secured under that certain Master Trust Indenture, dated as of October 1, 2005 (the "Master Indenture") and a Fifth Supplemental Trust Indenture dated as of April 1, 2023 ("Third Supplement Indenture" and, collectively with the Master Indenture, the "Indenture"), between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), which creates a security interest in the trust estate described therein (the "Security") for the benefit of the Owners of the Bonds.

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.
2. The Investor meets the criteria of an "accredited investor" as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-

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Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

Very truly yours,

[Name], [Type of Entity]

By: _____
Name: _____
Title: _____
Date: _____

Or

[Name], an Individual

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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;
- ☐ 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 specified purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person.

3. The Investor Bonds are being acquired by the Investor for investment and not with a present view to, or for resale in connection with, any distribution of the Bonds.

4. The Investor has been supplied with an (electronic) copy of the Limited Offering Memorandum dated November __, 2023 of the District 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 for the Investor to make an informed decision to invest in the Investor Bonds.

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**EXHIBIT E
2023A INVESTMENT OBLIGATIONS**

"2023A Investment Obligations" shall mean and include any of the following securities with respect to the investment of moneys under the Fifth Supplemental Indenture, if and to the extent that such securities are legal investments for funds of the District:

- (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, including the Trustee Bank, which, at the time of deposit, has an unsecured, uninsured and unguaranteed obligation rated in one of the top two rating categories by both Moody's and S&P;
- (iv) commercial paper rated in the top two rating category by both Moody's and S&P at the time of purchase;
- (v) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts 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 money market funds by both Moody's and S&P, including those shares offered or sponsored by the Trustee Bank, and (B) shares of money market mutual funds, including those funds offered or sponsored by the Trustee Bank, 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;
- (vii) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by the repurchase agreement provider with collateral with a domestic or foreign bank or corporation (other than life or property casualty

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insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's provided that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall immediately notify the Trustee and the provider shall at its option, within ten days of receipt of publication of such downgrade, either (A) maintain collateral at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all collateral and terminate the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls below "A-" or "A3," respectively, the provider must at the direction by the District 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) calendar days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and upon becoming aware of such event, the Trustee shall withdraw the entire amount invested plus accrued interest within two (2) Business Days. Any repurchase agreement entered into pursuant to this Fifth Supplemental Indenture shall contain the following additional provisions:

- 1) Failure to maintain the requisite collateral percentage will require the District or the Trustee to liquidate the collateral as provided above;
- 2) The Holder of the Collateral, as hereinafter defined, shall have possession of the collateral or the collateral shall have been transferred to the Holder of the Collateral, in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);
- 3) The repurchase agreement shall state and an opinion of Counsel in form and in substance satisfactory to the Trustee shall be rendered that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);
- 4) The repurchase agreement shall be a "repurchase agreement" as defined in the United States Bankruptcy Code and, if the provider is a domestic bank, a "qualified financial contract" as defined in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") and such bank is subject to FIRREA;
- 5) The repurchase transaction shall be in the form of a written agreement, and such agreement shall require the provider to give written notice to the Trustee of any change in its long-term debt rating;
- 6) The District or its designee shall represent that it has no knowledge of any fraud involved in the repurchase transaction;
- 7) The District and the Trustee shall receive the opinion of Counsel (which opinion shall be addressed to the District and the Trustee and shall be in form and

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- 2) moneys invested thereunder may be withdrawn without penalty, premium, or charge upon not more than two days' notice unless otherwise specified in a Supplemental Indenture;
- 3) the same guaranteed interest rate will be paid on any future deposits made to restore the account to its required amount; and
- 4) the Trustee receives an opinion of counsel that such agreement is an enforceable obligation of such insurance company, bank, financial institution or parent;
- 5) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch, respectively, the provider shall notify the Trustee within five (5) business days of such downgrade event and the provider shall at its option, within ten (10) business days after notice is given to the Trustee take any one of the following actions:
 - 6) collateralize the agreement at levels, sufficient to maintain an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach, or
 - 7) assign the agreement to another provider, as long as the minimum rating criteria of "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or
 - 8) have the agreement guaranteed by a provider which results in a minimum rating criteria of an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or
 - 9) repay all amounts due and owing under the agreement.
- 10) In the event the provider has not satisfied any one of the above conditions within three (3) business 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, Moody's or Fitch;
- (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 deposits permitted under item (iii) above, negotiable or non-negotiable certificates of deposit, savings accounts, deposit accounts, money market deposits or

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substance satisfactory to the District) that such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

- 8) The term of the repurchase agreement shall be no longer than ten years;
- 9) The interest with respect to the repurchase transaction shall be payable at the times and in the amounts necessary in order to make funds available when required under this Fifth Supplemental Indenture.
- 10) The repurchase agreement shall provide that the Trustee may withdraw funds without penalty at any time, or from time to time, for any purpose permitted or required under this Fifth Supplemental Indenture;
- 11) Any repurchase agreement shall provide that a perfected security interest in such investments is created for the benefit of the beneficial owners under the Uniform Commercial Code of Florida, or book-entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are created for the benefit of the beneficial owners; and
- 12) The collateral delivered or transferred to the District, the Trustee, or a third-party acceptable to, and acting solely as agent for, the Trustee (the "Holder of the Collateral") shall be delivered and transferred in compliance with applicable state and federal laws (other than by means of entries on provider's books) free and clear of any third-party liens or claims pursuant to a custodial agreement subject to the prior written approval of the majority of the Holders and the Trustee. The custodial agreement shall provide that the Trustee must have disposition or control over the collateral of the repurchase agreement, irrespective of an event of default by the provider of such repurchase agreement.

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

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

- 1) interest is paid on any date interest is due on the 2023A 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;

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banking arrangements issued by or with any financial institution, including the Trustee Bank, subject to state or federal regulation provided that the full principal amount is insured by the Federal Deposit Insurance Corporation ("FDIC") (including the FDIC's Savings Association Insurance Fund); and

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

A certificate of an Authorized Officer directing any investment enumerated above shall constitute a representation by the District upon which the Trustee is entitled to rely that such investment is permitted under this Fifth Supplemental Indenture and is a legal investment for funds of the District.

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**EXHIBIT F
FORM OF REQUISITION**

REQUISITION NO. _

**RIVER HALL COMMUNITY DEVELOPMENT DISTRICT
(LEE COUNTY, FLORIDA)**

\$ _____

**Capital Improvement Revenue Bonds
Series 2023A (Assessment Area 4)**

The undersigned, a Responsible Officer of River Hall Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U. S. Bank Trust Company, National Association, as trustee (the "Trustee"), dated as of October 1, 2005, as supplemented by a Fifth Supplemental Trust Indenture, dated as of November 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) Name of Payee: _____
- (C) Amount Payable: Total: \$ _____
- (D) 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): _____
- (E) Fund or Account 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 District,
- 2. each disbursement set forth above is a proper charge against the 2023A Acquisition and Construction Account;
- 3. each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Project;

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- 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 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.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

Attached hereto are originals of the invoice(s) from the vendor of the property acquired or the services rendered with respect to which disbursement is hereby requested.

Dated: _____, ____

**RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT**

By: _____

Chairperson, Board of Supervisors

CONSULTING ENGINEER'S APPROVAL

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, as such report shall have been amended or modified on the date hereof.

Consulting Engineer

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APPENDIX B

PROPOSED FORM OF OPINION OF BOND COUNSEL

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Upon delivery of the Series 2023A Bonds in definitive form, Akerman LLP, Bond Counsel, proposes to render its opinion with respect to the 2023A Bonds in substantially the following form:

Akerman LLP
50 North Laura Street
Suite 3100
Jacksonville, FL 32202-3646

November __, 2023

Board of Supervisors
River Hall Community Development District

RE: River Hall Community Development District (Lee County, Florida) Capital Improvement Refunding Revenue Bonds, Series 2023A (Assessment Area 4) (the “Series 2023A Bonds”)

Ladies and Gentlemen:

We have acted as bond counsel in connection with the issuance by River Hall Community Development District (the “District”) of the Series 2023A Bonds pursuant to the Constitution and laws of the State of Florida, including particularly the Uniform Community Development District Act of 1980, Chapter 190, *Florida Statutes*, as amended (the “Act”), Resolution 2005-18 adopted by the Board of Supervisors of the District (the “Board”) on June 17, 2005, as supplemented (collectively, the “Resolution”) and a Master Trust Indenture dated as of October 1, 2005 (the “Master Indenture”), as supplemented with respect to the Series 2023A Bonds by a Fifth Supplemental Trust Indenture dated as of November 1, 2023 (such supplemental indenture together with the Master Indenture, the “Indenture”), between the District and U.S. Bank National Association, as trustee (the “Trustee”). Any capitalized undefined term used herein shall have the same meaning as such term has under the Indenture.

As to questions of fact material to our opinion, we have relied upon representations of the District contained in the Indenture and in the certified proceedings and other certifications of officials furnished to us, without undertaking to verify the same by independent investigation.

Reference is made to the opinion of even date herewith of Coleman, Yovanovich & Koester, P.A., Counsel to the District, on which we have solely relied, as to the due creation and valid existence of the District, the due authorization, execution and delivery of the Indenture by the District and the due adoption of the Resolution and other resolutions of the District. Reference is also made to the opinion of even date herewith of counsel to the Trustee, on which we have relied, as to the due authorization and execution of the Indenture by the Trustee and of the enforceability of the Indenture against the Trustee.

In addition to the foregoing, we have examined and relied upon such other agreements, certificates, documents and opinions submitted to us, including certifications and representations

of public officials and other officers and representatives of the various parties participating in this transaction, as we have deemed relevant and necessary in connection with the opinions expressed below. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in such agreements, certificates, documents, representations and opinions submitted to us and have relied solely on the facts, estimates and circumstances described and set forth therein.

In our examination of the foregoing, we have assumed the genuineness of the signatures on all documents and instruments, the authenticity of documents submitted as originals, the conformity to originals of documents submitted as copies and the legal capacity of all natural persons.

The scope of our engagement in relation to the issuance of the Series 2023A Bonds has been limited solely to the examination of facts and law incident to rendering the opinions expressed herein.

This opinion should not be construed as offering material or an offering circular, prospectus or official statement and is not intended in any way to be a disclosure statement used in connection with the sale or delivery of the Series 2023A Bonds. Furthermore, we are not passing on the accuracy or sufficiency of any CUSIP numbers appearing on the Series 2023A Bonds. In addition, we have not been engaged to and, therefore, do not express any opinion as to compliance by the District with any federal or state statute, regulation or ruling with respect to the sale and distribution of the Series 2023A Bonds.

Neither the Series 2023A Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District within the meaning of the Constitution and laws of Florida. The Series 2023A Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or a lien upon any property of the District other than as provided in the Indenture. No owner of the Series 2023A Bonds or any other person shall ever have the right, directly or indirectly, to require or compel the exercise of any ad valorem taxing power of the District or any other public authority or governmental body to pay the principal of or interest and premium, if any, on the Series 2023A Bonds or to pay any other amounts required to be paid pursuant to the Indenture or the Series 2023A Bonds.

The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

Based upon the foregoing, we are of the opinion that:

1. The District has been duly created and validly exists as a community development district under the Act.

2. The Indenture has been duly authorized and executed by the District and constitutes a valid and binding obligation of the District. The Indenture creates the valid pledge which it purports to create of the 2023A Trust Estate for the Series 2023A Bonds in the manner and to the extent provided therein.

3. The Series 2023A Bonds have been duly authorized, executed and delivered by the District and are valid, binding, and enforceable special obligations of the District, payable solely from the sources provided therefore in the Indenture.

4. The interest on the Series 2023A Bonds is excludable from gross income for federal income tax purposes and is not treated as an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals; however, such interest is taken into account in determining the adjusted financial statement income of applicable corporations for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. The opinions set forth in the immediately preceding sentence are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, and the regulations thereunder (the "Code"), that must be met or satisfied subsequent to the date hereof in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The District has covenanted to comply with each such requirement. Failure of the District to comply with such requirements may cause the inclusion of interest on the Series 2023A Bonds in gross income for federal income tax purposes retroactive to the date of issuance of the Series 2023A Bonds. Other provisions of the Code may give rise to adverse federal income tax consequences to particular holders of the Series 2023A Bonds. The scope of this opinion is limited to the matters addressed above and we express no opinion regarding other federal tax consequences arising with respect to the Series 2023A Bonds. In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Series 2023A Bonds in order that interest on the Series 2023A Bonds not be included in gross income for federal income tax purposes.

In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Series 2023A Bonds in order that interest on the Series 2023A Bonds not be included in gross income for federal income tax purposes.

5. Pursuant to the Act, the Series 2023A Bonds and the interest paid thereon are exempt from all taxes imposed by the State of Florida except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes.

It is to be understood that the rights of the owners of the Series 2023A Bonds and the enforceability of the Series 2023A Bonds and the Indenture may be subject to (a) bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, or other similar statutes, rules, regulations, or other laws affecting the enforcement of creditor's rights and remedies generally and (b) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law).

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

Very truly yours,

AKERMAN LLP

APPENDIX C
ENGINEER'S REPORT

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SUPPLEMENT #2

FEBRUARY 2, 2023 REVISED APRIL 6, 2023

REVISED JULY 25, 2023

TO THE

RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

ENGINEER'S REPORT

DATED OCTOBER 25, 2005

AND SUPPLEMENT #1

DATED NOVEMBER 15, 2019

REVISED JULY 2, 2020

BY

Barraco
and Associates, Inc.

2271 MCGREGOR BOULEVARD

SUITE 100

FORT MYERS, FLORIDA 33901

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I. Introduction

1.1 Purpose and Scope

The River Hall Community Development District Engineer's Report (the "Original Report") dated October 25, 2005 and adopted by the River Hall Community Development District (the "District") Board of Supervisors on January 6, 2006 was prepared to assist with the financing, construction and acquisition of public infrastructure improvements to be undertaken to support the development of River Hall (the "Development"). The original Report was subsequently updated with Supplement #1 dated November 15, 2019, Revised July 2, 2020 and approved by the District Board of Supervisors on September 10, 2020 (Supplement #1). The purpose of this report (the "Supplement 2 Report") is to describe the status of improvements outlined in Supplement #1, identify modifications to the development plan based on the Developer's successful product offerings and current market conditions, and update the Original Report and Supplement #1 to reflect these changes. Items to be considered include:

- Review of the Development and the District;
- Updated River Hall site and phasing plans;
- Description of completed improvements (the "Completed Improvements");
- Identification of improvements to be undertaken for existing parcels within developed River Hall including Parcel C 22 single family units, Parcel H 23 single family units, increased to 33 single family units, Parcel Z 36 multifamily units decreased to 18 single family units and Parcel K2 43 single family units and 195 units in a portion of future development area identified in Supplement #1 Exhibit 3 "Current Phasing Plan" which five parcels planned for 311 lots are now known collectively as "Assessment Area 4", or AA4 2023 Project, as identified;
- Provide cost estimates for installation and/or acquisition of public infrastructure improvements to serve the 311 lots planned within Assessment Area 4 (the "2023 Project"); and,
- Update of the status of primary required permits.

1.2 Review of River Hall

The River Hall Development is a ±1,978 acre Residential and Commercial Planned Development (RPD/CPD) located within unincorporated Lee County, Florida. A site location map depicting the current development boundary and general location is provided as Location Map Exhibit 1. The Development received entitlements on October 18, 1999 by Lee County Zoning Resolution Z-99-056, rezoning the original ±1,797 acre parcel from Agricultural (AG-2) to Residential Planned Development (RPD) and allowing for a maximum of 1,598 dwelling units. Lee County Zoning Resolution Z-05-051, adopted on September 19, 2005, amended the Development by increasing the area to ±1,978 acres, rezoning the parcel from RPD/AG-2 to RPD/Commercial Planned Development (CPD), increasing the allowed residential density to 1,999 dwelling units, and adding an elementary school site.

The River Hall Community Development District was established by Rule 42YY-1.001 of the FAC and became effective on April 21, 2005. The District is currently

comprised of ±1,958 acres and located wholly within the Development. A 20-acre parcel dedicated to the elementary school within the Development is not included in the District boundary and accounts for the difference between the Development and District areas. The Original Report contemplated future Comprehensive Plan Amendments and rezoning requests to increase allowable density within the District, which has since partially come to fruition with the adoption of Z-15-003, described in Section 2.1 below. Exhibit 2 depicts the phasing plan as identified in Supplement #1 for comparison with Exhibit 3, which illustrates the current phasing, including Assessment Area 4 which is the basis of this Supplement.

The four existing parcels within developed River Hall consisting of Parcels C, H, Z and K2 are currently undeveloped, although Parcel H is currently platted as 23 100' single family lots and K2 is currently platted as 43 70' single family lots. Pursuant to a change in the development plan as further discussed herein, Parcel H is expected to be replatted to contain 33 70' single family lots. Parcel C is currently unplatted but is planned for 22 single family lots and Parcel Z is also currently unplatted and planned for 18 55' single family lots. All of these undeveloped 124 units currently have debt associated with the District's Series 2021 Bonds. All existing debt associated with these 123 units is to be prepaid prior to assignment of any additional debt associated with this Supplement #2. It should be noted that Parcel H is currently platted as 23 100' wide single family lots and will be replatted into 33 70' wide single family lots. In addition, Parcel Z, while not platted into single family lots, was previously planned for 36 multifamily units which will be redesigned and platted into 18 55' single family lots.

Exhibit 1 – Location Map

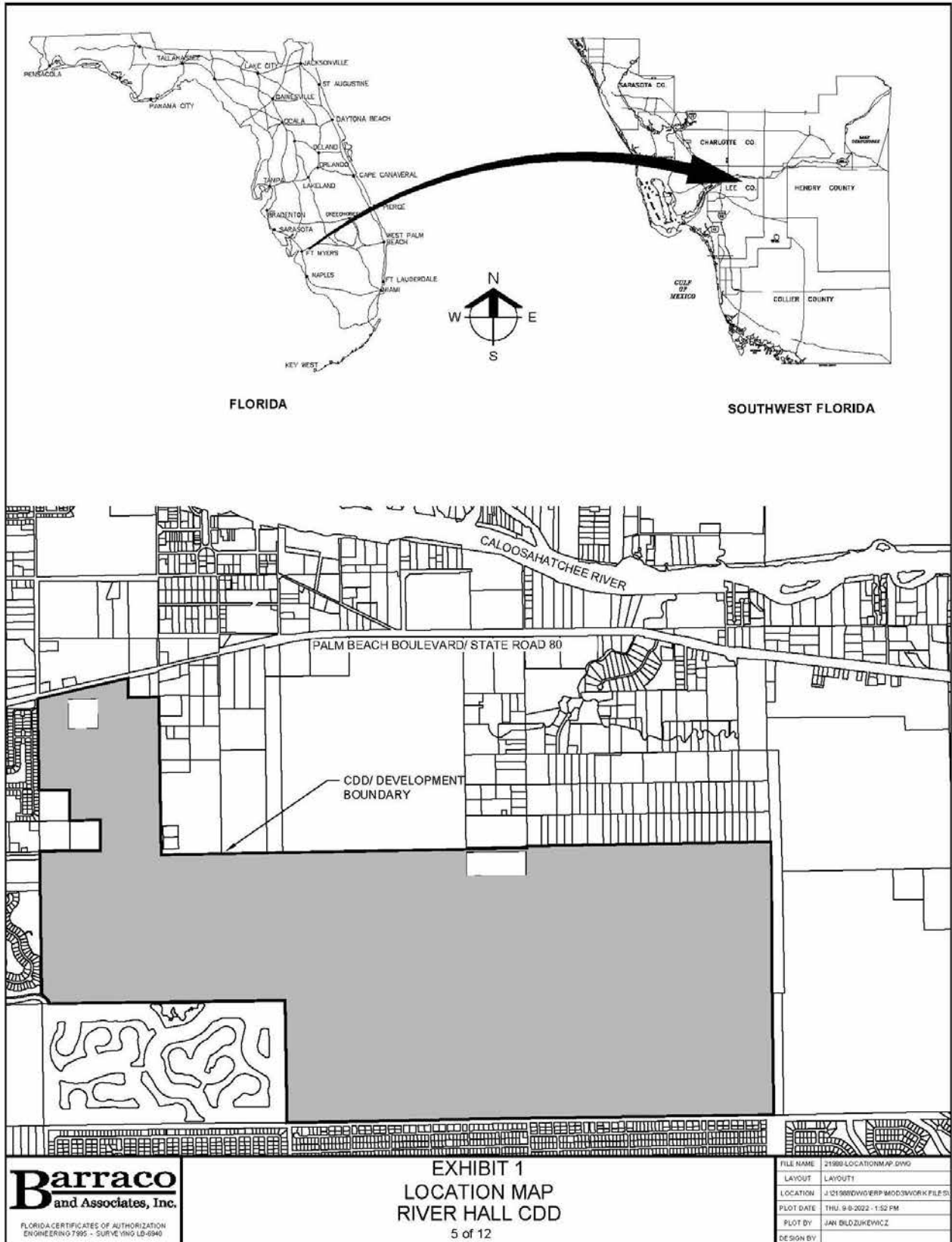


Exhibit 2 – Supplement #1 Current Phasing Plan

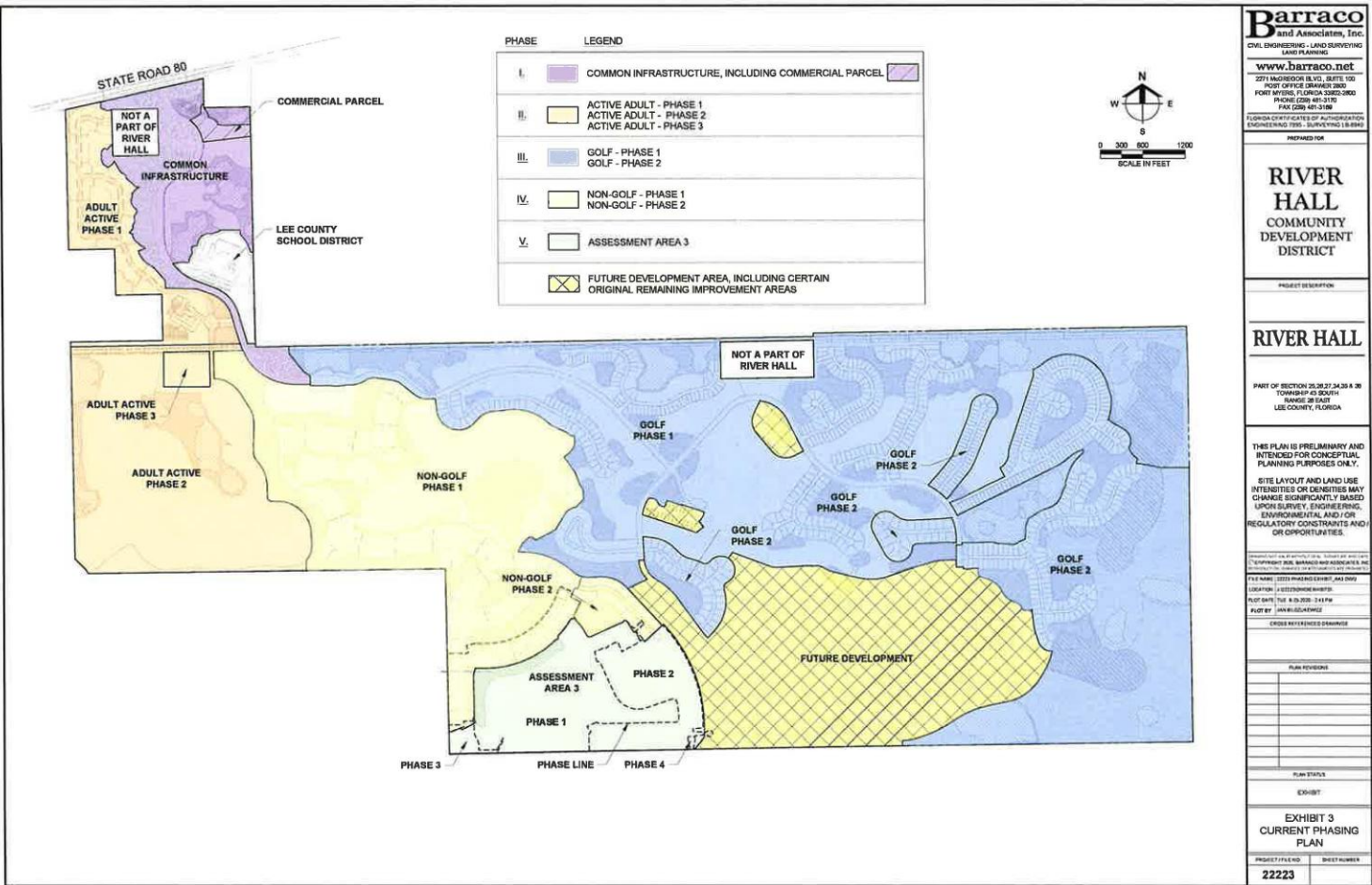
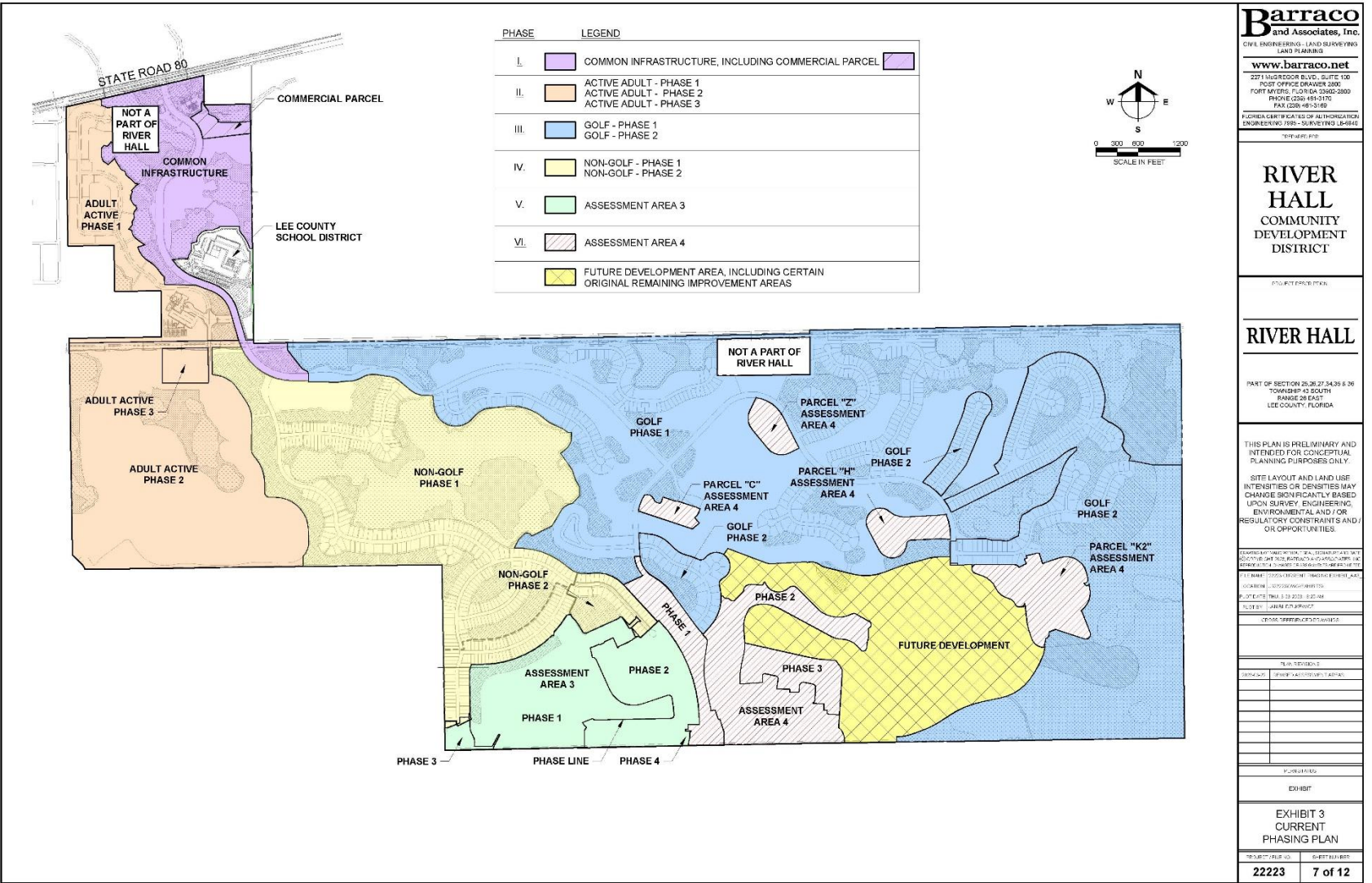


Exhibit 3 – Current Phasing Plan



II. Updates

2.1 Updated Site and Phasing Plan

Three additional phases have been added as Assessment Area 4 (AA4) to the phasing plan, as depicted in Exhibit 3, with construction now anticipated to occur in three (3) phases. The revised development plan accounts for the 124 previously planned units in parcels C, H, Z and K2 by adding an additional 10 units in Parcel H, a reduction of 18 units from the original multifamily plan to the current single family plan for parcel Z and an additional 195 residential units within AA4, as described in the preceding sections. The phasing plan and unit allocation outlined in the Original Report, Supplement #1 and the current phasing plan and unit allocation are summarized in Tables 1 and 2, respectively.

Table 1 – Original Phasing Plan & Supplement #1 Unit Allocation			
Phase	Description	Units	
		Single Family	Multi-Family
I	Common Infrastructure	0	0
II	Adult Active Community	570	0
III	Single Family Golf Community	798	138
IV	Single Family Non-Golf Community	445	0
V	Assessment Area 3	348	0
	Future Development	396	
Unit Total By Type:		2,557	138
UNIT TOTAL:		2,695	

Table 2 – Current Phasing Plan and Unit Allocation			
Phase	Description	Units	
		Single Family	Multi-Family
I	Common Infrastructure	0	0
II	Adult Active Community	570	0
III	Single Family Golf Community	728	102
IV	Single Family Non-Golf Community	445	0
V	Assessment Area 3	348	0
VI	Assessment Area 4	311	
	Future Development	191	0
Unit Total By Type:		2,593	102
UNIT TOTAL:		2,695	

III. Summary of 2023 Project

3.1 Proposed 2023 Project

The District's project for public infrastructure improvements (construction and/or acquisition) comprising the 2023 Project includes, but is not limited to, the following:

- Drainage and Surface Water Management System
- Utilities
- Perimeter Boundary Improvements
- Perimeter Landscaping
- Professional and Miscellaneous Fees

The improvements described in this Supplemental Report represent the present intentions of the current landowner, RH Venture II & III, LLC, and the District, subject to applicable local general purpose government land use planning, zoning and other entitlements. The implementation of any improvements discussed in this plan requires the final approval by many regulatory and permitting agencies including local, state and federal agencies. Subsequently, the actual improvements may vary from the capital improvements in this Supplemental Report. The cost estimate contained in this Supplemental Report has been prepared based upon the best available information, and is based on preliminary designs and current economic conditions. The actual cost may vary depending on the final engineering design, permitting, construction and approvals, as well as economic conditions at the time of construction.

3.2 Drainage and Surface Water Management

The water management system to support the 2023 Project will consist of excavated stormwater lakes, culverts, inlets, structures, and storm sewer pipe. South Florida Water Management District (SFWMD) Environment Resource Permit (ERP) No. 36-04006-P serving River Hall encompasses the AA4 and the Future Development Area and remains active; however, a modification to the existing permit will be required to incorporate final construction plans. The additional District water management facilities will consist of approximately 32.5 acres of lakes with an interconnected pipe system. Stormwater runoff from the areas within Assessment Area 4 will be routed to the stormwater management lakes for water quality treatment and attenuation, prior to discharge into the existing District drainage and conveyance facilities, which is consistent with the current ERP.

3.3 Utilities

District-funded utilities will consist of potable water and wastewater systems. These systems will be designed and constructed in accordance with Lee County Utilities (LCU), Florida Department of Environmental Protection (FDEP), and Lee County Department of Health (LCDOH) standards, as applicable.

The dedication of completed water and sanitary sewer utilities by the District to LCU for ownership, operation and maintenance will take place upon completion of construction of these facilities. LCU will also act as the supplier of water to the water distribution systems, as well as the collector of the wastewater from the

wastewater collection system. LCU requires water and sewer connection/capacity fees for all new utility line extensions. Half of these fees must be paid prior to construction, and the balance is due when the system is cleared for use and placed in service. These connection fees are included in the funding estimates and may be financed in whole or in part by the District. If the Developer pays the connections fees on the behalf of the District, these fees may be considered a reimbursable item.

Potable water facilities will include transmission and distribution lines, along with the necessary valves, fire hydrants and water services to individual buildings and parcels. Assessment Area 4 is currently estimated to include ±7,100 linear feet of 8" watermain.

Wastewater facilities will include gravity collection mains with individual lot sewer services, force mains and pump stations. Assessment Area 4 is currently anticipated to require ±6,900 linear feet of 8" gravity sewer and ±2,900 linear feet of 6" force main, as well as one (1) pump station.

3.4 Perimeter Boundary Improvements

Perimeter Boundary Improvements will consist of earthen berms, fences, gates and other hardscape features along the south perimeter of Assessment Area 4.

3.5 Perimeter Landscaping

Perimeter Landscaping will consist of trees, shrubs, flowering plants, sod and irrigation along the south perimeter of Assessment Area 4.

3.6 Professional and Miscellaneous Fees

Professional fees include the estimated cost for design, assistance during construction, and other professional services of all components of the District infrastructure and also includes other expenses, such as permit application fees.

IV. Opinion of Probable Construction Costs

4.1 Summary of Costs

The estimates shown in Table 3 do not include the legal, administrative, financing, operation, maintenance services or bond issuance costs necessary to finance, construct, operate and maintain the District infrastructure. All estimates are given in 2022 dollars and no inflation factor has been provided for the time value of money.

4.2 Opinion of Probable Costs for 2023 Project

At the time of this Supplemental Report, one special assessment bond (the “Additional Bond”) is intended to be issued for the financing of *only* the 2023 Project for Assessment Area 4, as described in this Supplemental Report. Proceeds from the Additional Bond will be dedicated specifically to the 2023 Project associated with Assessment Area 4 only.

4.3 Distribution of Costs

Section IV of this Supplemental Report describes the proposed public infrastructure comprising the 2023 Project, of which a portion will be funded by the Additional Bond. The following cost estimate is based on the five categories detailed in Section IV:

Table 3 – Cost Estimate					
	Hampton Lakes East	Parcel C	Parcel H	Parcel Z	Parcel K2
Surface Water Management	\$2,089,000	\$196,000	\$655,000	\$272,000	\$601,000
Utilities	\$3,281,000	\$77,000	\$342,000	\$220,000	\$428,000
Perimeter Boundary Improvements	\$350,000	\$0	\$0	\$0	\$0
Perimeter Landscaping	\$100,000	\$0	\$0	\$0	\$0
Professional Fees	\$400,000	\$80,000	\$90,000	\$150,000	\$80,000
Subtotal:	\$6,220,000	\$353,000	\$1,087,000	\$642,000	\$1,109,000
20% Contingency:	\$1,244,000	\$70,600	\$217,400	\$128,400	\$221,800
TOTAL:	\$7,464,000	\$423,600	\$1,304,400	\$770,400	\$1,330,800

Estimated Grand Total: \$11,293,200.00

Drainage and Surface Water Management System includes preparing the project site via clearing and grubbing, excavation of stormwater lakes and stockpiling of fill generated during excavation, as well as culverts, inlets, structures, and storm sewer pipe. *Utilities* includes both gravity and transmission sanitary sewer and potable water systems. *Perimeter Boundary Improvements* includes berms, walls, fences and gates along the District’s south exterior boundary. *Perimeter Landscaping* includes trees, shrubs and irrigation along the District’s south exterior boundary. *Professional Fees* consist of the estimated cost for design, permitting, assistance during construction, certifications, other professional services relating to components of District infrastructure, and expenses including, but not limited to, permit application fees.

V. Permitting

5.1 Permitting and Entitlements

Federal, state, and local permits and approvals are required prior to the construction of site infrastructure. Permits and permit modifications are considered part of the normal design and permitting process, and may be applied for at the time the improvement is undertaken.

All permits known to be required for construction of the 2023 Project's main infrastructure are either in effect or considered obtainable within the normal course of construction plan development and permit application/processing. Modification to existing permits may be required as detailed construction plans are developed.

APPENDIX D

ASSESSMENT METHODOLOGY

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RIVER HALL COMMUNITY DEVELOPMENT DISTRICT

Assessment Area 4 Supplemental Special Assessment Methodology Report

September 26, 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

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1.0 Introduction

1.1 Purpose

This Assessment Area 4 Supplemental Special Assessment Methodology Report (the "Assessment Area 4 Report") was developed to provide a supplemental financing plan and a supplemental special assessment methodology consistent with the Final Special Assessment Allocation Report dated October 28, 2005 (the "Original Report"), Supplemental Special Assessment Allocation Report dated May 24, 2011 (the "Supplemental Report") for the future development area referred to in the Original Report as Phases IV and V and the Fourth Supplemental Special Assessment Methodology Report for Assessment Area 4 dated April 6, 2023 (the "Fourth Supplemental Report"). The portion of the future development area currently proposed to be developed with a total of 195 residential dwelling units for which this Report has been prepared is referred to as "Hampton Lakes East".

Specifically, this Assessment Area 4 Report allocates the costs of public infrastructure improvements (collectively, the "2023 Project") in Supplement #2 to the River Hall Community Development District Engineer's Report, dated July 25, 2023 ("Supplemental #2") prepared by Barraco and Associates, Inc. (the "Project Engineer") to the units anticipated to be developed within Parcels C, H, Z and K2 of the existing development area as well as Hampton Lakes East, collectively referred to as Assessment Area 4.

1.2 Scope of the Assessment Area 4 Report

This Assessment Area 4 Report presents the projections for financing a portion of the 2023 Project, the method for the allocation of special benefits, and the apportionment of special assessment debt resulting from the provision and partial funding of the 2023 Project.

1.3 Special Benefits and General Benefits

Improvements undertaken and funded in part by the District as part of the 2023 Project create special and peculiar benefits, different in kind and degree than general benefits, for properties within Assessment Area 4, as well as general benefits to the properties outside of Assessment Area 4 and the public at large. However, as discussed within this Assessment Area 4 Report, these general benefits are incidental in nature and are readily distinguishable from the special

and peculiar benefits which accrue to property within Assessment Area 4. The District's 2023 Project enables properties within the boundaries of Assessment Area 4 to be developed.

There is no doubt that the general public and property owners of property outside Assessment Area 4 will benefit from the provision of the 2023 Project. However, these benefits are only incidental given that the 2023 Project is designed to provide special benefits peculiar to Assessment Area 4. Properties outside of Assessment Area 4 are not directly served by the 2023 Project and do not depend upon the 2023 Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which properties within Assessment Area 4 receive compared to properties lying outside of Assessment Area 4.

The 2023 Project will provide public infrastructure improvements which are all necessary in order to make the lands within the Assessment Area 4 developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within Assessment Area 4 to increase by more than the sum of the financed cost of the individual components of the 2023 Project. Even though the exact value of the benefits provided by the 2023 Project is difficult to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

1.4 Organization of the Assessment Area 4 Report

Section Two describes the current development program as proposed by the Developer, as defined below.

Section Three provides a summary of the 2023 Project as determined by the Project Engineer.

Section Four discusses the proposed financing program for Assessment Area 4.

Section Five discusses the special assessment methodology for Assessment Area 4.

2.0 Current Development Program

2.1 Overview

The District serves the River Hall development (the "Development" or "River Hall"), a master-planned, residential development located in unincorporated Lee County, Florida. The land within the District consists of approximately 1,958 +/- acres and is generally located in northeastern Lee County, south of Palm Beach Boulevard and east of Buckingham Road.

2.2 The Current Development Program

The development of land within the District commenced in 2005. The original development program envisioned that a total of 1,999 residential units and 45,000 square feet of commercial space would be constructed in five (5) development phases over an eight (8)-year development time period. Between 2005 and 2019, the permissible development density for the land within the District was increased to a total of 2,695 residential units.

As illustrated in Table 1 in the *Appendix*, Assessment Area 4 were anticipated to be platted and developed into a total of 318 residential dwelling units, however, the current development plan provides for the development of a total of 311 residential dwelling units and replacement of 23 100' single-family ("SF") lots in Parcel H with a total of 33 70' SF lots (which change will require a replat, as the 23 100' SF lots have already been platted), and replacement of 36 planned MF Coach units in Parcel Z with a total of 18 55' SF lots. Parcel C is projected to be developed with a total of 22 55' SF lots, Parcel K2 (which is platted) is projected to continue to be comprised of 43 70' SF lots, and Hampton Lakes East is expected to be developed with a total of 195 50' SF lots. The development of the land within Assessment Area 4 is expected to be conducted by RH Venture II, LLC or its affiliate(s) (the "Developer").

Please refer to Tables 1 and 2 in Supplemental #2 for more details on phasing and the projected number of units within the District. However, please note that this Assessment Area 4 Report is written specifically to provide the method for the allocation of special benefits and the apportionment of special assessment debt to the 311 residential dwelling units planned to be developed within Assessment Area 4.

3.0 The 2023 Project

The public infrastructure costs to be funded by the District as the 2023 Project are described in Supplemental #2. 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.

Supplemental #2 identifies the specific costs associated with the 2023 Project. The total costs of the 2023 Project are estimated by the Project Engineer to total \$11,293,200. The improvements to be funded as part of the 2023 Project are planned to consist of surface water management, utilities, perimeter boundary improvements and perimeter landscaping, as more specifically described in Supplemental #2.

Even though the installation of the public infrastructure improvements constituting the 2023 Project is projected to occur within separate multiple portions of the District, that is Assessment Area 4, the infrastructure improvements that comprise the 2023 Project, along with other existing public infrastructure improvements which were funded in the past in part by the District, will serve and provide benefit to all land uses in Assessment Area 4 and will comprise an interrelated system of improvements, which means all of the improvements will serve all of Assessment Area 4 and the improvements will be interrelated such that they will reinforce one another. Table 2 in the *Appendix* illustrates the specific components of the 2023 Project.

4.0 Financing Program

4.1 Overview

As noted above, the District is proceeding with a program of capital improvements which will facilitate the development of lands within Assessment Area 4, with all or a portion of the public infrastructure improvements to be funded by the District.

The District intends to issue its Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4) in the estimated principal amount of \$8,100,000* (the "Series 2023A Bonds") to fund an estimated

* Estimated, subject to change

\$6,627,300* in 2023 Project costs, with the balance of the 2023 Project costs anticipated to be contributed by the Developer.

4.2 Types of Bonds

The financing plan for the District provides for the issuance of the Series 2023A Bonds in the estimated principal amount of \$8,100,000* to finance a portion of the costs of the 2023 Project in the estimated amount of \$6,627,300*. The Series 2023A Bonds are estimated to be amortized in 30 annual installments following an approximately 12-month capitalized interest period. Interest payments on the Series 2023A Bonds are projected to be made every May 1 and November 1, and principal payments on the Series 2023A Bonds are projected to be made on every May 1.

In order to finance a portion of the costs of the 2023 Project in the estimated amount of \$6,627,300*, the District will need to borrow more funds and incur indebtedness in the total estimated amount of \$8,100,000*. The difference is comprised of debt service reserve, capitalized interest, funds necessary for the partial prepayment of the District's existing Capital Improvement Refunding Revenue Bonds, Series 2021A-2 (the "2021A-2 Bonds") which all of the undeveloped land in Assessment Area 4 is subject to, as well the underwriter's discount and costs of issuance.

Estimated sources and uses of funding for the Series 2023A Bonds are presented in Table 3 in the *Appendix*.

5.0 Assessment Methodology

5.1 Overview

The issuance of the Series 2023A Bonds provides the District with a portion of the funds necessary to construct the infrastructure improvements which constitute the 2023 Project outlined in *Section 3.0* and described in more detail in Supplemental #2. These improvements lead to special and general benefits, with special benefits accruing to the assessable properties within Assessment Area 4 and general but only incidental benefits accruing to areas outside Assessment Area 4. The debt incurred in financing a portion of the 2023 Project will be satisfied by payment of special

* Estimated, subject to change

assessments by the lands in Assessment Area 4, that derive special and peculiar benefits from the 2023 Project. All of the assessable lands in Assessment Area 4 will be assessed for their fair share of the debt issued to finance the 2023 Project.

5.2 Benefit Allocation

The development program for Assessment Area 4 envisions the development of a total of 311 residential dwelling units, although unit numbers and land use types may change throughout the development period. The public infrastructure improvements that comprise the CIP will serve and provide benefit to all land uses in Assessment Area 4 and will comprise an interrelated system of improvements, which means all of the improvements will serve the Assessment Area 4 and improvements will be interrelated such that they will reinforce one another.

As stated previously, the public infrastructure improvements included in the 2023 Project have a logical connection to the special and peculiar benefits received by the land within Assessment Area 4, as without such improvements, the development of the properties within Assessment Area 4 would not be possible. Based upon the connection between the improvements and the special and peculiar benefits to the land within Assessment Area 4, it is permissible and supportable for the District to assign or allocate the District's debt, through the imposition of non-ad valorem assessments, to the land within Assessment Area 4. 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 pro-rata cost of the improvements necessary for that parcel, or the actual non-ad valorem assessment amount levied on that parcel.

In following the Original Report, this Assessment Area 4 Report proposes to allocate the benefit associated with the 2023 Project to the different unit types proposed to be developed within Assessment Area 4 in proportion to their density of development and intensity of use of 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 Assessment Area 4 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 public infrastructure improvements which are part of the 2023 Project 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 2023 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 improvements.

Based on the ERU benefit allocation illustrated in Table 4, Table 5 in the *Appendix* presents the allocation of the amount of 2023 Project costs allocated to the various unit types based on the ERU benefit allocation factors present in Table 4. Further, Table 5 illustrates the approximate costs that are projected to be financed with the Series 2023A Bonds, and the approximate costs of the portion of the 2023 Project costs to be contributed by the Developer, as the case may be. With the Series 2023 Bonds funding an estimated \$6,627,300* in costs of the 2023 Project, the Developer is anticipated to fund improvements valued an estimated \$4,665,900* which will not be funded with proceeds of the Series 2023A Bonds.

Finally, Table 6 in the *Appendix* presents the apportionment of the assessment associated with funding of the 2023 Project (the "Series 2023A Bond Assessments") in accordance with the benefit allocation method presented in Table 4. Table 6 also presents the annual levels of the projected annual debt service assessments per unit.

5.3 Assigning Debt

Because the land in Hampton Lakes East, Parcel C and Parcel Z is currently unplatted and the precise location of the future residential dwelling units by lot or parcel is unknown, the Bond Assessments will initially be levied on the unplatted land within Hampton Lakes East, Parcel C and Parcel Z on an equal pro-rata gross acre basis within

* Estimated, subject to change

each of Assessment Area, 4 Parcel C and Parcel Z as set forth herein, and thus the Series 2023A Bond Assessments in the estimated amount of \$4,572,958.89* will be initially levied on approximately 94.95 +/- gross acres within Hampton Lakes East at a rate of \$48,161.76* per acre, Series 2023A Bond Assessments in the estimated amount of \$567,515.92* will be initially levied on approximately 5.54 +/- gross acres within Parcel C at a rate of \$102,439.70* per acre, and Series 2023A Bond Assessments in the estimated amount of \$464,331.21* will be initially levied on approximately 4.91 +/- gross acres within Parcel Z at a rate of \$94,568.47* per acre.

As the land is platted, the Series 2023A 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 6 in the *Appendix*. Such allocation of Series 2023A Bond Assessments to platted parcels will reduce the amount of Series 2023A Bond Assessments levied on unplatted gross acres within Hampton Lakes East, Parcel C and Parcel Z and result in the final allocation of the Series 2023A Bond Assessment on units within Hampton Lakes East, Parcel C and Parcel Z.

Further, to the extent that any land which has not been platted is sold to another developer or builder, the Series 2023A 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 Series 2023A Bond Assessments assigned to the land being transferred.

As the land in Parcel H is currently platted into 23 100' SF lots and is expected to be replatted in the near future into 33 70' SF lots, the Series 2023A Bond Assessments will be allocated to each platted 100' SF lot at 33/23 of the amount of the Series 2023A Bond Assessments that are proposed to be allocated to each 70' SF lot as illustrated in Table 6 in the *Appendix* or an estimated \$47,106.06* per each 100' SF lot. Lastly, as the land in Parcel K2 is currently platted into 43 70' SF lots, the Series 2023A Bond Assessments will be allocated to each platted 70' SF lot in accordance with the amounts illustrated in Table 5 in the *Appendix* or \$32,831.50* per each 70' SF lot.

* Estimated, subject to change

Please note that all of the undeveloped land in Assessment Area 4 is subject to the District's existing 2021A-2 Bonds outstanding as of the date of this Assessment Area 4 Report in the total amount of \$1,622,236.48. It is planned that the outstanding 2021A-2 Bonds applicable to Assessment Area 4 will be prepaid by the Developer prior to issuance of the Series 2023A Bonds.

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 part of the 2023 Project create special and peculiar benefits to certain properties within Assessment Area 4. The District's improvements benefit assessable properties within Assessment Area 4 and accrue to all such assessable properties on an ERU basis as illustrated in Table 4 in the *Appendix*.

Public infrastructure improvements undertaken by the District can be shown to be creating special and peculiar benefits to the property within Assessment Area 4. 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 public infrastructure improvements which are part of the 2023 Project make Assessment Area 4 developable and saleable and when implemented jointly as parts of the 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 from the public infrastructure improvements is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the 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 Assessment Area 4 according to reasonable estimates of the special and peculiar benefits derived from the 2023 Project by the proposed land use.

Accordingly, no acre or parcel of property within Assessment Area 4 will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

5.6 True-Up Mechanism

The assessment methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs it is possible that the number of type of units may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is utilized to ensure that the Series 2023A Bond Assessments on a per unit basis never exceed the maximum allocated assessment as contemplated in the adopted assessment methodology. The maximum Series 2023A Bond Assessments per unit preliminarily equals to the amounts listed in Table 6 in the *Appendix*. If changes occur, the methodology is applied to the land based on the number of and type of units of particular units within each and every parcel.

As the land is platted or replatted, the Series 2023A Bond Assessments are assigned to platted parcels based on the figures in Table 6 in the *Appendix*. If as a result of platting and apportionment of the Series 2023A Bond Assessments to the platted parcel of land, the Series 2023A Bond Assessments per unit for land that remains unplatted within Assessment Area 4 remain equal to the levels in Table 6, then no true-up adjustment will be necessary.

If as a result of platting or replatting and apportionment of the Series 2023A Bond Assessments to the platted or replatted land, the amount of Series 2023A Bond Assessments per unit for land that remains unplatted within Hampton Lakes East or Parcels C, H, Z and K2 equals less than the levels in Table 6 (either as a result of a larger number of units, different units or both), then the per unit Series 2023A Bond Assessments for all parcels within either Hampton Lakes

East or Parcels C, H, Z and K2 (whichever portion experienced the change) will be lowered at the conclusion of platting and development of that portion.

If, in contrast, as a result of platting or replatting and apportionment of the Bond Assessments to the platted or replatted land, the Series 2023A Bond Assessments per unit for land that remains unplatted within Hampton Lakes East or Parcels C, H, Z and K2 equals more than the levels in Table 6 (either as a result of a smaller number of units, different units or both), then the difference in Series 2023A Bond Assessments plus accrued interest will be collected from the owner of the property being platted or replatted which caused the increase of Series 2023A Bond Assessments to occur, in accordance with a true-up agreement to be entered into between the District and the Developer. Such true-up agreement will be recorded in the public records and be binding on successors and assigns of unplatted lands within Hampton Lakes East or Parcels C, H, Z and K2. The owner(s) of the property will be required to immediately remit to the Trustee for redemption a true-up payment equal to the difference between the actual Series 2023A Bond Assessments per unit and the amounts illustrated in Table 6 multiplied by the actual number of units plus accrued interest to the next succeeding interest payment date on the Series 2023A Bonds, unless such interest payment date occurs within 45 days of such true-up payment, in which case the accrued interest shall be paid to the following interest payment date.

5.7 Assessment Roll

The Series 2023A Bond Assessments in the estimated amount of \$8,100,000* are proposed to be levied in the manner illustrated in Exhibit "A". Excluding any capitalized interest period, debt service 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 2023 Project. Certain financing, development and engineering data was provided by members of District Staff and/

* Estimated, subject to change

/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 Assessment Area 4 Report. For additional information on the Series 2023A 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

River Hall

Community Development District

Assessment Area 4 Current Development Program

Unit Type	Original Development Plan Number of Units	Revised Development Plan Number of Units
<u>Hampton Lakes East</u>		
SF 50'	195	195
<u>Parcel C</u>		
SF 55'	22	22
<u>Parcel H</u>		
SF 100'	23	0
SF 70'	0	33
<u>Parcel Z</u>		
SF 55'	0	18
MF Coach	36	0
<u>Parcel K2</u>		
SF 70'	43	43
Total	319	311

Table 2

River Hall

Community Development District

2023 Project Cost Estimates

Category	Hampton Lakes					Total Cost
	East	Parcel C	Parcel H	Parcel Z	Parcel K2	
Surface Water Management	\$2,089,000	\$196,000	\$655,000	\$272,000	\$601,000	\$3,813,000
Utilities	\$3,281,000	\$77,000	\$342,000	\$220,000	\$428,000	\$4,348,000
Perimeter Boundary Improvements	\$350,000	\$0	\$0	\$0	\$0	\$350,000
Perimeter Landscaping	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Professional Fees	\$400,000	\$80,000	\$90,000	\$150,000	\$80,000	\$800,000
Contingency	\$1,244,000	\$70,600	\$217,400	\$128,400	\$221,800	\$1,882,200
Total	\$7,464,000	\$423,600	\$1,304,400	\$770,400	\$1,330,800	\$11,293,200

Table 3

River Hall

Community Development District

Series 2023A Bonds Preliminary Sources and Uses of Funds

Sources

Bond Proceeds:

Par Amount	\$8,100,000.00
Total Sources	\$8,100,000.00

Uses

Project Fund Deposits:

Project Fund - 2023A Project	\$6,627,300.00
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Other Fund Deposits:

Debt Service Reserve Fund	\$604,450.00
Capitalized Interest Fund	\$506,250.00

Delivery Date Expenses:

Costs of Issuance	\$362,000.00
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Total Uses	\$8,100,000.00
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Table 4

River Hall

Community Development District

Benefit Allocation

Unit Type	Revised Development Plan Number of		Total ERU	Percent of Total
	Units	ERU Weight per Unit		
SF 50'	195	1.00	195	56.46%
SF 55'	40	1.10	44	12.74%
SF 70'	76	1.40	106.4	30.80%
Total	311		345.4	100.00%

Table 5

River Hall

Community Development District

Cost Allocation - 2023 Project

Unit Type	2023 Project Cost Allocation	2023 Project Costs	2023 Project Costs Funded
		Contributed by Developer	by Series 2023A Bonds
SF 50'	\$6,375,720.90	\$2,634,193.69	\$3,741,527.21
SF 55'	\$1,438,624.20	\$594,382.17	\$844,242.04
SF 70'	\$3,478,854.89	\$1,437,324.15	\$2,041,530.75
Total	\$11,293,200.00	\$4,665,900.00	\$6,627,300.00

Table 6

River Hall

Community Development District

Series 2023A Bond Assessments Apportionment

Unit Type	Revised Development Plan Number of Units	Series 2023A Bond Assessments Apportionment	Series 2023A Bond Assessments Apportionment per Unit	Annual Debt Service per Unit*
<u>Hampton Lakes East</u>				
SF 50'	195	\$4,572,958.89	\$23,451.07	\$1,822.92
<u>Parcel C</u>				
SF 55'	22	\$567,515.92	\$25,796.18	\$2,005.21
<u>Parcel H</u>				
SF 70'	33	\$1,083,439.49	\$32,831.50	\$2,552.08
<u>Parcel Z</u>				
SF 55'	18	\$464,331.21	\$25,796.18	\$2,005.21
<u>Parcel K2</u>				
SF 70'	43	\$1,411,754.49	\$32,831.50	\$2,552.08
Total	311	\$8,100,000.00		

* Included costs of collection and assumes payment in March

Exhibit "A" - Continued

Bond Assessments in the estimated amount of \$567,515.92* are proposed be levied on an equal pro-rata gross acre basis based on the area identified by Strap # 35-43-26-03-00C01.0000, which contains Parcel C.

Bond Assessments in the estimated amount of \$464,331.21* are proposed be levied on an equal pro-rata gross acre basis based on the area identified by Strap # 35-43-26-03-00C02.0000, which contains Parcel Z.

Bond Assessments in the estimated amount of \$1,083,439.49* are proposed be levied on the following parcels identified by their Strap #'s, which contains Parcel H:

Strap #	Bond Assessments Apportionment
36-43-26-03-0000H.0010	\$47,106.06
36-43-26-03-0000H.0020	\$47,106.06
36-43-26-03-0000H.0030	\$47,106.06
36-43-26-03-0000H.0040	\$47,106.06
36-43-26-03-0000H.0050	\$47,106.06
36-43-26-03-0000H.0060	\$47,106.06
36-43-26-03-0000H.0070	\$47,106.06
36-43-26-03-0000H.0080	\$47,106.06
36-43-26-03-0000H.0090	\$47,106.06
36-43-26-03-0000H.0100	\$47,106.06
36-43-26-03-0000H.0110	\$47,106.06
36-43-26-03-0000H.0120	\$47,106.06
36-43-26-03-0000H.0130	\$47,106.06
36-43-26-03-0000H.0140	\$47,106.06
36-43-26-03-0000H.0150	\$47,106.06
36-43-26-03-0000H.0160	\$47,106.06
36-43-26-03-0000H.0170	\$47,106.06
36-43-26-03-0000H.0180	\$47,106.06
36-43-26-03-0000H.0190	\$47,106.06
36-43-26-03-0000H.0200	\$47,106.06
36-43-26-03-0000H.0210	\$47,106.06
36-43-26-03-0000H.0220	\$47,106.06
36-43-26-03-0000H.0230	\$47,106.06

* Estimated, subject to change

Bond Assessments in the estimated amount of \$1,411,754.49* are proposed be levied on the following parcels identified by their Strap #'s, which contains Parcel K2:

Strap #	Bond Assessments Apportionment
36-43-26-03-0000K.0130	\$32,831.50
36-43-26-03-0000K.0140	\$32,831.50
36-43-26-03-0000K.0150	\$32,831.50
36-43-26-03-0000K.0160	\$32,831.50
36-43-26-03-0000K.0170	\$32,831.50
36-43-26-03-0000K.0180	\$32,831.50
36-43-26-03-0000K.0190	\$32,831.50
36-43-26-03-0000K.0200	\$32,831.50
36-43-26-03-0000K.0210	\$32,831.50
36-43-26-03-0000K.0220	\$32,831.50
36-43-26-03-0000K.0230	\$32,831.50
36-43-26-03-0000K.0240	\$32,831.50
36-43-26-03-0000K.0250	\$32,831.50
36-43-26-03-0000K.0260	\$32,831.50
36-43-26-03-0000K.0270	\$32,831.50
36-43-26-03-0000K.0280	\$32,831.50
36-43-26-03-0000K.0290	\$32,831.50
36-43-26-03-0000K.0300	\$32,831.50
36-43-26-03-0000K.0310	\$32,831.50
36-43-26-03-0000K.0320	\$32,831.50
36-43-26-03-0000K.0330	\$32,831.50
36-43-26-03-0000K.0340	\$32,831.50
36-43-26-03-0000K.0350	\$32,831.50
36-43-26-03-0000K.0360	\$32,831.50
36-43-26-03-0000K.0370	\$32,831.50
36-43-26-03-0000K.0380	\$32,831.50
36-43-26-03-0000K.0390	\$32,831.50
36-43-26-03-0000K.0400	\$32,831.50
36-43-26-03-0000K.0410	\$32,831.50
36-43-26-03-0000K.0420	\$32,831.50
36-43-26-03-0000K.0430	\$32,831.50
36-43-26-03-0000K.0440	\$32,831.50
36-43-26-03-0000K.0450	\$32,831.50
36-43-26-03-0000K.0460	\$32,831.50

* Estimated, subject to change

Strap #	Bond Assessments Apportionment
36-43-26-03-0000K.0470	\$32,831.50
36-43-26-03-0000K.0480	\$32,831.50
36-43-26-03-0000K.0490	\$32,831.50
36-43-26-03-0000K.0500	\$32,831.50
36-43-26-03-0000K.0510	\$32,831.50
36-43-26-03-0000K.0520	\$32,831.50
36-43-26-03-0000K.0530	\$32,831.50
36-43-26-03-0000K.0540	\$32,831.50
36-43-26-03-0000K.0550	\$32,831.50

APPENDIX E
DISTRICT'S FINANCIAL STATEMENTS

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River Hall Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

River Hall Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2022

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

Report on Audit of the Financial Statements

Opinion

We have audited the financial statements of the governmental activities and each major fund of River Hall Community Development District (the "District"), as of and for the year ended September 30, 2022, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of River Hall Community Development District as of September 30, 2022, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS), and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.



To the Board of Supervisors
River Hall Community Development District

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for one year beyond the financial statement date, including currently known information that may raise substantial doubt thereafter.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users made on the basis of these financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgement and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgement, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
River Hall Community Development District

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated May 23, 2023 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering River Hall Community Development District's internal control over financial reporting and compliance.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 23, 2023

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

Management's discussion and analysis of River Hall Community Development District (the "District") financial performance provides an objective analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position are reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and interest on long term debt.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues and expenditures that are restricted for certain purposes or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental funds, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2022.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$7,034,463 (net position). Unrestricted net position for Governmental Activities was \$854,839. Net position restricted was \$320,582. Net investment in capital assets was \$5,859,042.
- ◆ Governmental activities revenues totaled \$2,758,969 while governmental activities expenses totaled \$1,984,320.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2022	2021
Current assets	\$ 944,861	\$ 831,074
Restricted assets	1,348,027	3,431,101
Capital assets	30,340,346	28,612,950
 Total Assets	 32,633,234	 32,875,125
 Deferred outflows of resources	 362,294	 389,130
Current liabilities	1,604,211	1,418,347
Non-current liabilities	24,356,854	25,586,094
 Total Liabilities	 25,961,065	 27,004,441
 Net position - net investment in capital assets	 5,859,042	 5,534,068
Net position - restricted for debt service	320,582	408,244
Net position - unrestricted	854,839	317,502
 Total Net Position	 \$ 7,034,463	 \$ 6,259,814

The increase in current assets is related to revenues exceeding expenditures in the General Fund in the current year.

The decrease in restricted assets is related to the capital projects activity in the current year.

The increase in capital assets is mainly the result of the construction in progress additions in the current year.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change in Net Position

	Governmental Activities	
	<u>2022</u>	<u>2021</u>
Program Revenues		
Charges for services	\$ 2,742,995	\$ 2,564,457
Capital grants and contributions	-	28,356
General Revenues		
Miscellaneous revenues	11,558	-
Investment earnings	4,416	658
Total Revenues	<u>2,758,969</u>	<u>2,593,471</u>
Expenses		
General government	145,242	142,008
Physical environment	962,967	919,319
Interest and other charges	876,111	1,358,558
Total Expenses	<u>1,984,320</u>	<u>2,419,885</u>
Change in Net Position	774,649	173,586
Net Position - Beginning of Year	<u>6,259,814</u>	<u>6,086,228</u>
Net Position - End of Year	<u><u>\$ 7,034,463</u></u>	<u><u>\$ 6,259,814</u></u>

The increase in physical environment is mainly related to the increase in landscape maintenance in the current year.

The decrease in interest and other charges is related to a bond refunding in the prior year.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets activity as of September 30, 2022 and 2021:

Description	Governmental Activities	
	2022	2021
Capital assets not being depreciated:		
Land and improvements	\$ 9,299,800	\$ 9,299,800
Construction in progress	7,951,759	5,717,044
Capital assets being depreciated:		
Infrastructure	13,836,783	13,836,783
Improvements other than buildings	646,872	646,872
Less: Accumulated depreciation	(1,394,868)	(887,549)
Total Capital Assets	<u>\$ 30,340,346</u>	<u>\$ 28,612,950</u>

Capital asset activity during the year was additions to construction in progress of \$2,234,715, and depreciation of \$507,319.

Debt Management

Governmental Activities debt includes the following:

- In September 2020, the District issued \$7,410,000 Series 2020A Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the cost of acquisition, construction, installation and equipping of a portion of the 2020A Project. As of September 30, 2022, the balance outstanding was \$7,265,000.
- In September 2021, the District issued Capital Improvements Refunding Revenue Bonds, Series 2021A-1, \$9,065,000, and Series 2021A-2, \$9,930,000, to refund the remaining balance of the Series 2011A-1 and 2011A-2 Bonds. As of September 30, 2022, the outstanding balances for the Series 2021A-1 and Series 2021A-2 Bonds were \$8,575,000 and \$9,400,000, respectively.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2022**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

General Fund Budgetary Highlights

Actual expenditures for the current fiscal year were less than budgeted amounts primarily because stormwater repair, replacement and contingency costs were less than expected.

The September 30, 2022 budget was amended for engineering, trustee and legal fees that were higher than originally anticipated.

Economic Factors and Next Year's Budget

River Hall Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year ended September 30, 2023.

Request for Information

The financial report is designed to provide a general overview of River Hall Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the River Hall Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

River Hall Community Development District
STATEMENT OF NET POSITION
September 30, 2022

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 925,065
Investments	5,321
Accounts receivable	11,558
Assessments receivable	1,295
Deposits	1,622
Total Current Assets	<u>944,861</u>
Non-current Assets:	
Restricted assets:	
Investments	1,348,027
Capital assets not being depreciated:	
Land improvements	9,299,800
Construction in progress	7,951,759
Capital assets being depreciated:	
Infrastructure	13,836,783
Improvements other than buildings	646,872
Less: accumulated depreciation	<u>(1,394,868)</u>
Total Non-current Assets	<u>31,688,373</u>
Total Assets	<u>32,633,234</u>
 DEFERRED OUTFLOWS OF RESOURCES	
Deferred amount on refunding, net	<u>362,294</u>
 LIABILITIES	
Current Liabilities:	
Accounts payable and accrued expenses	69,273
Bonds payable	1,200,000
Accrued interest payable	334,938
Total Current Liabilities	<u>1,604,211</u>
Non-current liabilities:	
Bonds payable, net	<u>24,356,854</u>
Total Liabilities	<u>25,961,065</u>
 NET POSITION	
Net investment in capital assets	5,859,042
Restricted for:	
Debt service	320,582
Unrestricted	854,839
Total Net Position	<u><u>\$ 7,034,463</u></u>

See accompanying notes.

River Hall Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Functions/Programs	Expenses	Program Revenues Charges for Services	Net (Expense) Revenues and Changes in Net Position Governmental Activities
Governmental Activities			
General government	\$ (145,242)	\$ 144,701	\$ (541)
Physical environment	(962,967)	579,839	(383,128)
Interest and other charges	(876,111)	2,018,455	1,142,344
Total Governmental Activities	<u>\$ (1,984,320)</u>	<u>\$ 2,742,995</u>	<u>758,675</u>
General revenues:			
			11,558
			4,416
			<u>15,974</u>
Change in Net Position			774,649
Net Position - October 1, 2021			<u>6,259,814</u>
Net Position - September 30, 2022			<u><u>\$ 7,034,463</u></u>

See accompanying notes.

River Hall Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 925,065	\$ -	\$ -	\$ 925,065
Due from other funds	-	20,404	-	20,404
Investments	5,321	-	-	5,321
Accounts receivable	11,558	-	-	11,558
Assessment receivables	950	345	-	1,295
Deposits	1,622	-	-	1,622
Restricted assets:				
Restricted investments	-	1,122,721	225,306	1,348,027
Total Assets	\$ 944,516	\$1,143,470	\$ 225,306	\$ 2,313,292
LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 69,273	\$ -	\$ -	\$ 69,273
Due to other funds	20,404	-	-	20,404
Total Liabilities	89,677	-	-	89,677
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenues	11,558	-	-	11,558
FUND BALANCES				
Nonspendable - deposits	1,622	-	-	1,622
Restricted for:				
Debt service	-	1,143,470	-	1,143,470
Capital projects	-	-	225,306	225,306
Assigned for:				
Operating capital	145,000	-	-	145,000
Disaster recovery	250,000	-	-	250,000
Unassigned	446,659	-	-	446,659
Total Fund Balances	843,281	1,143,470	225,306	2,212,057
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ 944,516	\$1,143,470	\$ 225,306	\$ 2,313,292

See accompanying notes.

River Hall Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2022

Total Governmental Fund Balances	\$ 2,212,057
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, land improvements, \$9,299,800, and construction in progress, \$7,951,759, used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	17,251,559
Capital assets being depreciated, infrastructure, \$13,836,783, and improvements other than buildings, \$646,872, net of accumulated depreciation, \$(1,394,868), used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	13,088,787
Deferred outflows of resources, deferred amount on refunding net, are not current financial resources and; therefore, are not reported at the fund level.	362,294
Long-term liabilities, bonds payable, \$(25,240,000), net of bond discount, \$20,054, and bond premium, \$(336,908), are not due and payable in the current period and; therefore, are not reported at the fund level.	(25,556,854)
Revenues that available are not recognized at the fund level; however, revenue is recognized when earned at the government-wide level.	11,558
Accrued interest expense for long-term debt is not a current financial use and; therefore, is not reported at the fund level.	<u>(334,938)</u>
Net Position of Governmental Activities	<u><u>\$ 7,034,463</u></u>

See accompanying notes.

River Hall Community Development District
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2022

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 724,540	\$ 2,018,455	\$ -	\$ 2,742,995
Investment earnings	45	3,600	771	4,416
Total Revenues	<u>724,585</u>	<u>2,022,055</u>	<u>771</u>	<u>2,747,411</u>
Expenditures				
Current				
General government	145,242	-	-	145,242
Physical environment	455,648	-	-	455,648
Capital outlay	-	-	2,234,715	2,234,715
Debt service				
Principal	-	1,165,000	-	1,165,000
Interest	-	624,782	-	624,782
Other	-	49,450	-	49,450
Total Expenditures	<u>600,890</u>	<u>1,839,232</u>	<u>2,234,715</u>	<u>4,674,837</u>
Revenues over/(under) expenditures	123,695	182,823	(2,233,944)	(1,927,426)
Other Financing Sources/(Uses)				
Transfer in	26,338	-	-	26,338
Transfer out	-	(26,338)	-	(26,338)
Total Other Financing Sources/(Uses)	<u>26,338</u>	<u>(26,338)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	150,033	156,485	(2,233,944)	(1,927,426)
Fund Balances - October 1, 2021	<u>693,248</u>	<u>986,985</u>	<u>2,459,250</u>	<u>4,139,483</u>
Fund Balances - September 30, 2022	<u>\$ 843,281</u>	<u>\$ 1,143,470</u>	<u>\$ 225,306</u>	<u>\$ 2,212,057</u>

See accompanying notes.

River Hall Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2022

Net Changes in Fund Balances - Total Governmental Funds	\$ (1,927,426)
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Amounts reported for governmental activities in the Statement of Activities are different because:

Government funds reported capital outlays as expenditures; however, in the Statement of Activities, the cost of those assets is eliminated and capitalized in the Statement of Net Position. This is the amount that capital outlay, \$2,234,715, exceeded depreciation, \$(507,319).	1,727,396
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Repayment of long-term liabilities are reported as expenditures in the governmental funds statement but such repayments reduce liabilities in the Statement of Net Position.	1,165,000
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The deferred amount on refunding of debt is recognized as an other financing source at the fund level, but at the government-wide level it increases liabilities. This is the amount of the current year interest.	(26,836)
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Bond discount and premium are recognized as an other financing use in the year the debt was issued at the fund level, however, at the government-wide level they are recognized as a contra liability and amortized over the life of the bond as interest. This is the amount of current year interest.	24,240
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Unavailable revenues are recognized as deferred inflows of resources at the fund level; however, revenue is recognized when earned at the government-wide level. This is the current year change.	11,558
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In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the change in accrued interest from the prior year.	(199,283)
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Change in Net Position of Governmental Activities	<u><u>\$ 774,649</u></u>
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See accompanying notes.

River Hall Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2022

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 715,321	\$ 724,540	\$724,540	\$ -
Investment earnings	500	45	45	-
Total Revenues	<u>715,821</u>	<u>724,585</u>	<u>724,585</u>	<u>-</u>
Expenditures				
Current				
General government	122,643	154,356	145,242	9,114
Physical environment	491,450	480,519	455,648	24,871
Total Expenditures	<u>614,093</u>	<u>634,875</u>	<u>600,890</u>	<u>33,985</u>
Excess of revenues over/(under) expenditures	<u>101,728</u>	<u>89,710</u>	<u>123,695</u>	<u>33,985</u>
Other Financing Sources/(Uses)				
Transfers in	<u>-</u>	<u>26,338</u>	<u>26,338</u>	<u>-</u>
Net change in fund balances	101,728	116,048	150,033	33,985
Fund Balances - October 1, 2021	<u>673,643</u>	<u>693,248</u>	<u>693,248</u>	<u>-</u>
Fund Balances - September 30, 2022	<u><u>\$ 775,371</u></u>	<u><u>\$ 809,296</u></u>	<u><u>\$843,281</u></u>	<u><u>\$ 33,985</u></u>

See accompanying notes.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on April 21, 2005, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, district roads, landscaping, street lights and other basic infrastructure projects within or outside the boundaries of the River Hall Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at-large basis by qualified electors living within the boundaries of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the River Hall Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District implemented the Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest revenue associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is composed of General Fund and Reserve Fund balances.

Debt Service Fund – Accounts for debt service requirements to retire the capital improvement bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Fund – Accounts for the construction of improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash and cash equivalents includes time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

b. Restricted Assets

Certain assets of the District and a corresponding liability or portion of net position is classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include land improvements, infrastructure, improvements other than buildings and construction in progress, are reported in governmental activities.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over the assets' estimated useful lives. Useful life for assets is estimated at 15 years for infrastructure and 15 – 30 years for improvements other than buildings.

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. As a result, deficits in the budget columns of the accompanying financial statements may occur. All budgeted appropriations lapse at year end.

e. Deferred Outflows of Resources

Deferred outflow of resources is the consumption of net position by the government that is applicable to a future reporting period. Deferred amount on refunding is amortized and recognized as a component of interest expense over the life of the bond.

f. Unamortized Bond Discounts/Premiums

Bond discounts/premiums are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method. For financial reporting, the unamortized bond discounts/premiums are netted against the applicable long-term debt.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

g. Net Position

Net position represents the difference between assets and liabilities and is reported in three categories. Net position invested in capital assets, net of related debt, represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. Unrestricted net position is assets that do not meet definitions of the classifications previously described.

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2022, the District's bank balance was \$928,608 and the carrying value was \$925,065. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2022, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Government Obligation Fund	36 days*	\$ 1,348,027
Florida PRIME	21 days*	5,321
Total		<u>\$ 1,353,348</u>

* Weighted average maturity

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B – CASH AND INVESTMENTS (CONTINUED)

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most realizable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtained quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investments in the First American Government Obligation Fund are Level 1 assets.

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2022, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, however; the bond indenture limits the type of investments held using unspent proceeds.

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

As a pool participant, the District invests in pools of investments in which shares are owned in the pool rather than the underlying investments. Fair market value is determined and reported as disclosed by the State Board of Administration and the calculation of the net change in the fair value of investments is independent of the calculation of realized gains and losses.

As of September 30, 2022, the District's investments in the First American Government Obligation Fund and Florida PRIME were rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in the First American Government Obligation Fund represents 99% of the District's total investments. The investment in Florida PRIME represents less than 1% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2022 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE C – SPECIAL ASSESSMENT REVENUES

Special assessment revenues recognized for the 2021-2022 fiscal year were levied in October 2021. All assessments are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Assessments paid in March are without discount.

All unpaid assessments become delinquent as of April 1. Virtually all unpaid assessments are collected via the sale of tax certificates on or prior to, June 1; therefore, there were no material taxes receivable at fiscal year end.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE D – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2022 was as follows:

	Balance 10/1/2021	Additions	Disposals	Balance 09/30/22
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Land improvements	\$ 9,299,800	\$ -	\$ -	\$ 9,299,800
Construction in progress	5,717,044	2,234,715	-	7,951,759
Total Capital Assets, Not Depreciated	<u>15,016,844</u>	<u>2,234,715</u>	<u>-</u>	<u>17,251,559</u>
Capital assets, being depreciated:				
Infrastructure	13,836,783	-	-	13,836,783
Improvements other than buildings	646,872	-	-	646,872
Less: accumulated depreciation	<u>(887,549)</u>	<u>(507,319)</u>	<u>-</u>	<u>(1,394,868)</u>
Total Capital Assets Being Depreciated, Net	<u>13,596,106</u>	<u>(507,319)</u>	<u>-</u>	<u>13,088,787</u>
Governmental Activities Capital Assets	<u><u>\$ 28,612,950</u></u>	<u><u>\$ 1,727,396</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 30,340,346</u></u>

Depreciation of \$507,319 was charged to physical environment.

NOTE E – INTERFUND ACTIVITY

Interfund balances as of September 30, 2022, consisted of the following:

<u>Receivable Fund</u>	<u>Payable Fund</u>
	General Fund
Debt Service Fund	<u>\$ 20,404</u>

Interfund balances are due to assessments collected in one fund on behalf of another fund not yet remitted at year end.

The interfund transfers for the year ended September 30, 2022, consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>
	Debt Service Fund
General Fund	<u>\$ 26,338</u>

Transfers between funds related to excess revenue from prior year bond refunding and issuance.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT

The following is a summary of debt activity for the District for the year ended September 30, 2022:

	Balance 10/1/2021	Additions	Reductions	Balance 9/30/2022
<u>Governmental Activities:</u>				
Bonds payable:				
Series 2020A	\$ 7,410,000	\$ -	\$ (145,000)	\$ 7,265,000
Series 2020A Bond Discount	(20,770)	-	716	(20,054)
Series 2021A-1	9,065,000	-	(490,000)	8,575,000
Series 2021A-2	9,930,000	-	(530,000)	9,400,000
Series 2021 Bond Premium	361,864	-	(24,956)	336,908
	<u>\$ 26,746,094</u>	<u>\$ -</u>	<u>\$ (1,189,240)</u>	<u>\$ 25,556,854</u>
Bonds Payable, Net	<u>\$ 26,746,094</u>	<u>\$ -</u>	<u>\$ (1,189,240)</u>	<u>\$ 25,556,854</u>

District debt is comprised of the following at September 30, 2022:

\$7,410,000 Series 2020A Capital Improvement Revenue Bonds maturing through 2051, at various interest rates between 2.75 and 3.875%, payable May 1 and November 1. Current portion is \$150,000.

\$ 7,265,000

\$9,065,000 Series 2021A-1 and \$9,930,000 Series 2021A-2 Capital Improvement Refunding Revenue Bonds maturing through 2036, interest of 3%, payable May 1 and November 1. Current portions are \$500,000 and \$550,000, respectively.

17,975,000

Bonds Payable at September 30, 2022

\$ 25,240,000

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT (CONTINUED)

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2022 are as follows:

Year Ending September 30,	Principal	Interest	Total
2023	\$ 1,200,000	\$ 803,850	\$ 2,003,850
2024	1,235,000	768,225	2,003,225
2025	1,270,000	731,563	2,001,563
2026	1,305,000	693,850	1,998,850
2027	1,350,000	654,300	2,004,300
2028-2032	7,400,000	2,632,088	10,032,088
2033-2037	7,025,000	1,427,169	8,452,169
2038-2042	1,325,000	760,469	2,085,469
2043-2047	1,600,000	487,088	2,087,088
2048-2051	1,530,000	151,124	1,681,124
Totals	<u>\$ 25,240,000</u>	<u>\$ 9,109,726</u>	<u>\$ 34,349,726</u>

Summary of Significant Bonds Resolution Terms and Covenants

Capital Improvement Revenue Bonds, Series 2020A

The Series 2020A Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2031 a price equal to the par amount of the Series 2020A Bonds thereof, together with accrued interest to the date of redemption. The Series 2020A are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT (CONTINUED)

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Funds – The Series 2020A Reserve Account was funded from the proceeds of the Series 2020A Bonds in an amount equal to 50 percent of the outstanding Series 2020A Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2022:

	Reserve Balance	Reserve Requirement
Capital Improvement Revenue Bonds, Series 2020A	\$ 206,925	\$ 206,925

Capital Improvement Revenue Bonds, Series 2021 A-1 and A-2

Significant Bond Provisions

The Series 2021A-1 and Series 2021A-2 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2031 a price equal to the par amount of the Series 2021A-1/2 Bonds thereof, together with accrued interest to the date of redemption. The Series 2021A-1 and Series 2021A-2 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2022

NOTE F – LONG-TERM DEBT (CONTINUED)

Capital Improvement Revenue Bonds, Series 2021 A-1 and A-2

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Funds – The Series 2021A-1 Reserve Account was funded from the proceeds of the Series 2021A-1 Bonds in an amount equal to 10 percent of the maximum outstanding debt related to the Series 2021A-1 Bonds. The Series 2021A-2 Reserve Account was funded from the proceeds of the Series 2021A-2 Bonds in an amount equal to 50 percent of the maximum outstanding debt related to the Series 2021A-2 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2022:

	Reserve Balance	Reserve Requirement
Capital Improvement Refunding Revenue Bonds, Series 2021A-1	\$ 75,460	\$ 75,460
Capital Improvement Refunding Revenue Bonds, Series 2021A-2	\$ 412,550	\$ 412,550

NOTE G – ECONOMIC DEPENDENCY

The District's activity is dependent upon the continued involvement of the Developer, the loss of which would have a material adverse effect on the District's operations.

NOTE H – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There have been no claims filed for the past three years.

NOTE I – SUBSEQUENT EVENT

In April 2023, the District authorized the issuance of Special Assessment Revenue Bonds, Series 2023A (Assessment Area 4) not to exceed an aggregate principal amount of \$9,500,000 to finance the costs of acquisition and construction of assessable improvements.



**Berger, Toombs, Elam,
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Certified Public Accountants PL

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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements, as listed in the table of contents, of River Hall Community Development District, as of and for the year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the basic financial statements and have issued our report thereon dated May 23, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit, we considered River Hall Community Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of River Hall Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of River Hall Community Development District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
River Hall Community Development District

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether River Hall Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 23, 2023



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MANAGEMENT LETTER

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the River Hall Community Development District as of and for the year ended September 30, 2022, and have issued our report thereon dated May 23, 2023.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated May 23, 2023, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not River Hall Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the River Hall Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.



To the Board of Supervisors
River Hall Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2022 for the River Hall Community Development District. It is management's responsibility to monitor the River Hall Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information below was provided by management and has not been audited by us; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, River Hall Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: 0
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: 10
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: 0
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: The District paid \$81,621 to nonemployee independent contractors.
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2021, together with the total expenditures for such project: The District has no construction projects at this time.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The District did amend the original budget, see below.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the River Hall Community Development District reported:

- 1) The rate or rates of non-ad valorem special assessments imposed by the District. The General Fund assessment was \$229.43 - \$404.38 and the Debt Service assessment was \$233.78 - \$1,900.48.
- 2) Total special assessments collected was \$2,564,457.
- 3) The total amount of outstanding bonds issued by the District and the terms of such bonds. The District had outstanding bonds at September 30, 2022 of \$7,265,000 Series 2020A Bonds, maturing in 2051 and \$17,975,000 of Series 2021A-1 and Series 2021A-2 Bonds maturing in 2036.

To the Board of Supervisors
River Hall Community Development District

	Original Budget	Actual	Variance with Original Budget Positive (Negative)
Revenues			
Special assessments	\$ 715,321	\$ 724,540	\$ 9,219
Investment earnings	500	45	(455)
Total Revenues	<u>715,821</u>	<u>724,585</u>	<u>8,764</u>
Expenditures			
Current			
General government	122,643	145,242	(22,599)
Physical environment	491,450	455,648	35,802
Total Expenditures	<u>614,093</u>	<u>600,890</u>	<u>13,203</u>
Excess of revenues over/(under) expenditures	<u>101,728</u>	<u>123,695</u>	<u>21,967</u>
Other Financing Sources/(Uses)			
Transfers in	<u>-</u>	<u>26,338</u>	<u>26,338</u>
Net change in fund balances	101,728	150,033	48,305
Fund Balances - October 1, 2021	<u>673,643</u>	<u>693,248</u>	<u>19,605</u>
Fund Balances - September 30, 2022	<u>\$ 775,371</u>	<u>\$ 843,281</u>	<u>\$ 41,572</u>

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.



Berger, Toombs, Elam,
Gaines & Frank

Certified Public Accountants PL

To the Board of Supervisors
River Hall Community Development District

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 23, 2023



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

772/461-6120 // 461-1155
FAX: 772/468-9278

**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

We have examined River Hall Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2022. Management is responsible for River Hall Community Development District's compliance with those requirements. Our responsibility is to express an opinion on River Hall Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about River Hall Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on River Hall Community Development District's compliance with the specified requirements.

In our opinion, River Hall Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2022.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

May 23, 2023

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River Hall Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

River Hall Community Development District

ANNUAL FINANCIAL REPORT

September 30, 2021

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REPORT OF INDEPENDENT AUDITORS

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of River Hall Community Development District as of and for the year ended September 30, 2021, and the related notes to financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Fort Pierce / Stuart



To the Board of Supervisors
River Hall Community Development District

Opinion

In our opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the governmental activities and each major fund of River Hall Community Development District as of September 30, 2021, and the respective changes in financial position and the budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Governmental accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by *Governmental Accounting Standards Board* who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures in accordance with governmental auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated March 22, 2022 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations and contracts.

The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering River Hall Community Development District's internal control over financial reporting and compliance.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 22, 2022

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

Management's discussion and analysis of River Hall Community Development District (the "District") financial performance provides an objective analysis of the District's financial activities. The analysis provides summary financial information for the District and should be read in conjunction with the District's financial statements.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements comprise three components; 1) *Government-wide financial statements*, 2) *Fund financial statements*, and 3) *Notes to financial statements*. The *Government-wide financial statements* present an overall picture of the District's financial position and results of operations. The *Fund financial statements* present financial information for the District's major funds. The *Notes to financial statements* provide additional information concerning the District's finances.

The *Government-wide financial statements* are the **statement of net position** and the **statement of activities**. These statements use accounting methods similar to those used by private-sector companies. Emphasis is placed on the net position of governmental activities and the change in net position. Governmental activities are primarily supported by special assessments.

The **statement of net position** presents information on all assets and liabilities of the District, with the difference between assets and liabilities reported as net position. Net position are reported in three categories; 1) net investment in capital assets, 2) restricted, and 3) unrestricted. Assets, liabilities, and net position are reported for all Governmental activities.

The **statement of activities** presents information on all revenues and expenses of the District and the change in net position. Expenses are reported by major function and program revenues relating to those functions are reported, providing the net cost of all functions provided by the District. To assist in understanding the District's operations, expenses have been reported as governmental activities. Governmental activities financed by the District include general government, physical environment and interest on long term debt.

Fund financial statements present financial information for governmental funds. These statements provide financial information for the major funds of the District. Governmental fund financial statements provide information on the current assets and liabilities of the funds, changes in current financial resources (revenues and expenditures), and current available resources.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Fund financial statements include a **balance sheet** and a **statement of revenues, expenditures and changes in fund balances** for all governmental funds. A **statement of revenues, expenditures, and changes in fund balances – budget and actual** is provided for the District's General Fund. *Fund financial statements* provide more detailed information about the District's activities. Individual funds are established by the District to track revenues and expenditures that are restricted for certain purposes or to comply with legal requirements.

The *government-wide financial statements* and the *fund financial statements* provide different pictures of the District. The *government-wide financial statements* provide an overall picture of the District's financial standing. These statements are comparable to private-sector companies and give a good understanding of the District's overall financial health and how the District paid for the various activities, or functions, provided by the District. All assets of the District, including capital assets are reported in the **statement of net position**. All liabilities, including principal outstanding on bonds are included. The **statement of activities** includes depreciation on all long-lived assets of the District, but transactions between the different functions of the District have been eliminated in order to avoid "doubling up" the revenues and expenses. The *fund financial statements* provide a picture of the major funds of the District. In the case of governmental funds, outlays for long lived assets are reported as expenditures and long-term liabilities, such as general obligation bonds, are not included in the fund financial statements. To provide a link from the *fund financial statements* to the *government-wide financial statements*, a reconciliation is provided from the *fund financial statements* to the *government-wide financial statements*.

Notes to financial statements provide additional detail concerning the financial activities and financial balances of the District. Additional information about the accounting practices of the District, investments of the District, capital assets and long-term debt are some of the items included in the *notes to financial statements*.

Financial Highlights

The following are the highlights of financial activity for the year ended September 30, 2021.

- ◆ The District's total assets and deferred outflows of resources exceeded total liabilities by \$6,259,814 (net position). Unrestricted net position for Governmental Activities was \$317,502. Net position restricted was \$408,244. Net investment in capital assets was \$5,534,068.
- ◆ Governmental activities revenues totaled \$2,593,471 while governmental activities expenses totaled \$2,419,885.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District

The following schedule provides a summary of the assets, liabilities and net position of the District and is presented by category for comparison purposes.

Net Position

	Governmental Activities	
	2021	2020
Current assets	\$ 831,074	\$ 799,613
Restricted assets	3,431,101	10,306,208
Capital assets	28,612,950	23,869,290
 Total Assets	 32,875,125	 34,975,111
 Deferred Outflows of Resources	 389,130	 -
Current liabilities	1,418,347	1,375,369
Non-current liabilities	25,586,094	27,513,514
 Total Liabilities	 27,004,441	 28,888,883
 Net position - net investment in capital assets	 5,534,068	 7,301,088
Net position - restricted for debt service	408,244	2,008,252
Net position - unrestricted	317,502	(3,223,112)
 Total Net Position	 \$ 6,259,814	 \$ 6,086,228

The decrease in restricted assets is related to the capital projects activity in the current year.

The increase in capital assets is mainly the result of the construction in progress additions in the current year.

The increase in unrestricted net position and the decreases in net investment in capital assets and restricted net position for debt service is related to the bond refinancing in the current year.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Financial Analysis of the District (Continued)

The following schedule provides a summary of the changes in net position of the District and is presented by category for comparison purposes.

Change in Net Position

	Governmental Activities	
	2021	2020
Program Revenues		
Charges for services	\$ 2,564,457	\$ 3,901,234
Capital grants and contributions	28,356	-
General Revenues		
Investment earnings	658	20,315
Total Revenues	<u>2,593,471</u>	<u>3,921,549</u>
Expenses		
General government	142,008	136,776
Physical environment	919,319	453,711
Interest and other charges	<u>1,358,558</u>	<u>1,472,574</u>
Total Expenses	<u>2,419,885</u>	<u>2,063,061</u>
Conveyance to other government	<u>-</u>	<u>(8,015,036)</u>
Change in Net Position	173,586	(6,156,548)
Net Position - Beginning of Year	<u>6,086,228</u>	<u>12,242,776</u>
Net Position - End of Year	<u>\$ 6,259,814</u>	<u>\$ 6,086,228</u>

The increase in physical environment is mainly related to the increase in depreciation in the current year.

The decrease in interest and other charges is related to a bond refunding in the current year that reduced the outstanding long-term debt.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

Capital Assets Activity

The following schedule provides a summary of the District's capital assets activity as of September 30, 2021 and 2020:

Description	Governmental Activities	
	2021	2020
Capital assets not being depreciated:		
Land	\$ 9,299,800	\$ 9,299,800
Construction in progress	5,717,044	466,065
Capital assets being depreciated:		
Infrastructure	13,836,783	13,836,783
Improvements other than buildings	646,872	646,872
Less: Accumulated depreciation	(887,549)	(380,230)
Total Capital Assets	<u>\$ 28,612,950</u>	<u>\$ 23,869,290</u>

Capital asset activity during the year was additions to construction in progress of \$5,250,979, and depreciation of \$507,319.

Debt Management

Governmental Activities debt includes the following:

- In May 2011, the District issued Capital Improvements Revenue Bonds, Series 2011 A-1 and Series 2011 A-2 to restructure and retire the remaining balance on its Series 2005 bonds. These bonds were issued to fund certain infrastructure and facilities benefitting the lands of the District. The Series 2011 Bonds were fully redeemed and refunded in the current year.
- In September 2020, the District issued \$7,410,000 Series 2020A Capital Improvement Revenue Bonds. These bonds were issued to finance a portion of the cost of acquisition, construction, installation and equipping of a portion of the 2020A Project. As of September 30, 2021, the balance outstanding was \$7,410,000.
- In September 2021, the District issued Capital Improvements Refunding Revenue Bonds, Series 2021A-1, \$9,065,000, and Series 2021A-2, \$9,930,000, to refund the remaining balance of the Series 2011A-1 and 2011A-2 Bonds. As of September 30, 2021, the outstanding balance was \$18,995,000.

**River Hall Community Development District
MANAGEMENT'S DISCUSSION AND ANALYSIS
For the Year Ended September 30, 2021**

OVERVIEW OF THE FINANCIAL STATEMENTS (CONTINUED)

General Fund Budgetary Highlights

Actual expenditures for the current fiscal year were less than budgeted amounts primarily because stormwater system maintenance and landscape replacement costs were less than expected.

The September 30, 2021 budget was not amended.

Economic Factors and Next Year's Budget

River Hall Community Development District does not expect any economic factors to have any significant effect on the financial position or results of operations of the District in fiscal year ended September 30, 2022.

Request for Information

The financial report is designed to provide a general overview of River Hall Community Development District's finances for all those with an interest. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the River Hall Community Development District's Finance Department at 2300 Glades Road, Suite 410W, Boca Raton, Florida 33431.

River Hall Community Development District
STATEMENT OF NET POSITION
September 30, 2021

	Governmental Activities
ASSETS	
Current Assets:	
Cash and cash equivalents	\$ 692,340
Investments	5,276
Assessments receivable	110,607
Prepaid expenses	21,229
Deposits	1,622
Total Current Assets	<u>831,074</u>
Non-current Assets:	
Restricted assets:	
Investments	3,431,101
Capital assets not being depreciated:	
Land improvements	9,299,800
Construction in progress	5,717,044
Capital assets being depreciated:	
Infrastructure	13,836,783
Improvements other than buildings	646,872
Less: accumulated depreciation	(887,549)
Total Non-current Assets	<u>32,044,051</u>
Total Assets	<u>32,875,125</u>
 Deferred Outflows of Resources	
Deferred amount on refunding	<u>389,130</u>
 LIABILITIES	
Current Liabilities:	
Accounts payable and accrued expenses	28,102
Retainage payable	94,590
Bonds payable	1,160,000
Accrued interest payable	135,655
Total Current Liabilities	<u>1,418,347</u>
Non-current liabilities:	
Bonds payable, net	<u>25,586,094</u>
Total Liabilities	<u>27,004,441</u>
 NET POSITION	
Net investment in capital assets	5,534,068
Restricted for:	
Debt service	408,244
Unrestricted	317,502
Total Net Position	<u><u>\$ 6,259,814</u></u>

See accompanying notes.

River Hall Community Development District
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Functions/Programs	Expenses	Program Revenues		Net (Expense)
		Charges for	Capital Grants	Revenues and
		Services	and Contributions	Changes in
				Net Position
				Governmental
				Activities
Governmental Activities				
General government	\$ (142,008)	\$ 145,669	\$ -	\$ 3,661
Physical environment	(919,319)	422,623	28,356	(468,340)
Interest and other charges	(1,358,558)	1,996,165	-	637,607
Total Governmental Activities	<u>\$ (2,419,885)</u>	<u>\$ 2,564,457</u>	<u>\$ 28,356</u>	<u>172,928</u>
General revenues:				
Investment earnings				<u>658</u>
Change in Net Position				173,586
Net Position - October 1, 2020				<u>6,086,228</u>
Net Position - September 30, 2021				<u>\$ 6,259,814</u>

See accompanying notes.

River Hall Community Development District
BALANCE SHEET –
GOVERNMENTAL FUNDS
September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 692,340	\$ -	\$ -	\$ 692,340
Due from other funds	-	8	-	8
Investments	5,276	-	-	5,276
Assessment receivables	883	109,724	-	110,607
Prepaid expenses	21,229	-	-	21,229
Deposits	1,622	-	-	1,622
Restricted assets:				
Restricted investments	-	877,253	2,553,848	3,431,101
Total Assets	<u>\$ 721,350</u>	<u>\$ 986,985</u>	<u>\$2,553,848</u>	<u>\$ 4,262,183</u>
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts payable and accrued expenses	\$ 28,102	\$ -	\$ -	\$ 28,102
Due to other funds	-	-	8	8
Retainage payable	-	-	94,590	94,590
Total Liabilities	<u>28,102</u>	<u>-</u>	<u>94,598</u>	<u>122,700</u>
FUND BALANCES				
Nonspendable prepaids/deposits	22,851	-	-	22,851
Restricted for:				
Debt service	-	986,985	-	986,985
Capital projects	-	-	2,459,250	2,459,250
Assigned for:				
Operating capital	145,000	-	-	145,000
Disaster recovery	250,000	-	-	250,000
Unassigned	275,397	-	-	275,397
Total Fund Balances	<u>693,248</u>	<u>986,985</u>	<u>2,459,250</u>	<u>4,139,483</u>
Total Liabilities and Fund Balances	<u>\$ 721,350</u>	<u>\$ 986,985</u>	<u>\$2,553,848</u>	<u>\$ 4,262,183</u>

See accompanying notes.

**River Hall Community Development District
RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES
TO NET POSITION OF GOVERNMENTAL ACTIVITIES
September 30, 2021**

Total Governmental Fund Balances	\$ 4,139,483
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Capital assets not being depreciated, land improvements, \$9,299,800, and construction in progress, \$5,717,044, used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	15,016,844
Capital assets being depreciated, infrastructure, \$13,836,783, and improvements other than buildings, \$646,872, net of accumulated depreciation \$(887,549), used in governmental activities are not current financial resources and; therefore, are not reported at the fund level.	13,596,106
Deferred outflows of resources, deferred amount on refunding net, are not current financial resources and therefore, are not reported at the fund level.	389,130
Long-term liabilities, bonds payable, \$(26,405,000), net of bond discount, \$21,486, and bond premium, \$(361,864), are not due and payable in the current period and; therefore, are not reported at the fund level.	(26,746,094)
Accrued interest expense for long-term debt is not a current financial use and; therefore, is not reported at the fund level.	<u>(135,655)</u>
Net Position of Governmental Activities	<u><u>\$ 6,259,814</u></u>

See accompanying notes.

River Hall Community Development District
STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES –
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2021

	General	Debt Service	Capital Projects	Total Governmental Funds
Revenues				
Special assessments	\$ 568,292	\$ 1,996,165	\$ -	\$ 2,564,457
Developer contributions	-	-	28,356	28,356
Investment earnings	7	288	363	658
Total Revenues	<u>568,299</u>	<u>1,996,453</u>	<u>28,719</u>	<u>2,593,471</u>
Expenditures				
Current				
General government	142,008	-	-	142,008
Physical environment	412,000	-	-	412,000
Capital outlay	-	-	5,250,979	5,250,979
Debt service				
Principal	-	20,970,000	-	20,970,000
Interest	-	1,275,106	-	1,275,106
Other debt service costs	-	812,405	-	812,405
Total Expenditures	<u>554,008</u>	<u>23,057,511</u>	<u>5,250,979</u>	<u>28,862,498</u>
Revenues over/(under) expenditures	14,291	(21,061,058)	(5,222,260)	(26,269,027)
Other Financing Sources/(Uses)				
Transfer in	-	8	200	208
Transfer out	-	(200)	(8)	(208)
Issuance of new debt	-	18,995,000	-	18,995,000
Bond premium	-	361,864	-	361,864
Total Other Financing Sources/(Uses)	<u>-</u>	<u>19,356,672</u>	<u>192</u>	<u>19,356,864</u>
Net change in fund balances	14,291	(1,704,386)	(5,222,068)	(6,912,163)
Fund Balances - October 1, 2020	<u>678,957</u>	<u>2,691,371</u>	<u>7,681,318</u>	<u>11,051,646</u>
Fund Balances - September 30, 2021	<u>\$ 693,248</u>	<u>\$ 986,985</u>	<u>\$ 2,459,250</u>	<u>\$ 4,139,483</u>

See accompanying notes.

River Hall Community Development District
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2021

Net Changes in Fund Balances - Total Governmental Funds	\$ (6,912,163)
---	----------------

Amounts reported for governmental activities in the Statement of Activities are different because:

Government funds reported capital outlays as expenditures; however, in the Statement of Activities, the cost of those assets is eliminated and capitalized in the Statement of Net Position. This is the amount that capital outlay, \$5,250,979, exceeded depreciation, \$(507,319).	4,743,660
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The issuance of long-term debt, \$(18,995,000), net of bond premium, \$(361,864), is recorded as an other financing source at the fund level, however at the government-wide level it increases non-current liabilities.	(19,356,864)
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Repayment of long-term liabilities are reported as expenditures in the governmental funds statement but such repayments reduce liabilities in the Statement of Net Position.	20,970,000
--	------------

The deferred amount on refunding of debt is recognized as an other financing source at the fund level, but at the government-wide level it increases liabilities. This is the amount of the current year deferred amount on refunding.	389,130
--	---------

Bond discount is recognized as an other financing use in the year the debt was issued at the fund level, however at the government-wide level it is recognized as a contra liability and amortized over the life of the bond as interest. This is the amount of current year interest	(716)
---	-------

In the Statement of Activities, interest is accrued on outstanding bonds; whereas in governmental funds, interest expenditures are reported when due. This is the change in accrued interest from the prior year.	<div style="border-top: 1px solid black;">340,539</div>
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Change in Net Position of Governmental Activities	<div style="border-top: 1px solid black; border-bottom: 3px double black;">\$ 173,586</div>
---	---

See accompanying notes.

River Hall Community Development District
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES – BUDGET AND ACTUAL –
GENERAL FUND
For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual	Variance with Final Budget Positive (Negative)
Revenues				
Special assessments	\$ 544,589	\$ 544,589	\$568,292	\$ 23,703
Miscellaneous revenues	500	500	-	(500)
Investment earnings	-	-	7	7
Total Revenues	<u>545,089</u>	<u>545,089</u>	<u>568,299</u>	<u>23,210</u>
Expenditures				
Current				
General government	119,090	119,090	142,008	(22,918)
Physical environment	453,550	453,550	412,000	41,550
Total Expenditures	<u>572,640</u>	<u>572,640</u>	<u>554,008</u>	<u>18,632</u>
Net change in fund balances	(27,551)	(27,551)	14,291	41,842
Fund Balances - October 1, 2020	<u>660,248</u>	<u>660,248</u>	<u>678,957</u>	<u>18,709</u>
Fund Balances - September 30, 2021	<u>\$ 632,697</u>	<u>\$ 632,697</u>	<u>\$693,248</u>	<u>\$ 60,551</u>

See accompanying notes.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the District have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The District's more significant accounting policies are described below.

1. Reporting Entity

The District was established on April 21, 2005, pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes. The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of the infrastructure necessary for community development within its jurisdiction. The District is authorized to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or re-constructing, enlarging or extending, equipping, operating and maintaining water management, district roads, landscaping, street lights and other basic infrastructure projects within or outside the boundaries of the River Hall Community Development District. The District is governed by a five-member Board of Supervisors who are elected on an at-large basis by qualified electors living within the boundaries of the District. The District operates within the criteria established by Chapter 190, Florida Statutes.

As required by GAAP, these financial statements present the River Hall Community Development District (the primary government) as a stand-alone government. The reporting entity for the District includes all functions of government in which the District's Board exercises oversight responsibility including, but not limited to, financial interdependency, designation of management, significant ability to influence operations and accountability for fiscal matters.

Based upon the application of the above-mentioned criteria, the District has identified no component units.

2. Measurement Focus and Basis of Accounting

The basic financial statements of the District are composed of the following:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

a. Government-wide Financial Statements

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Government-wide financial statements report all non-fiduciary information about the reporting government as a whole. These statements include all the governmental activities of the primary government. The effect of interfund activity has been removed from these statements.

Governmental activities are supported by special assessments. Program revenues include charges for services and payments made by parties outside of the reporting government's citizenry if that money is restricted to a particular program. Program revenues are netted with program expenses in the Statement of Activities to present the net cost of each program.

Amounts paid to acquire capital assets are capitalized as assets, rather than reported as an expenditure. Proceeds of long-term debt are recorded as liabilities in the government-wide financial statements, rather than as an other financing source.

Amounts paid to reduce long-term indebtedness of the reporting government are reported as a reduction of the related liability, rather than as an expenditure.

b. Fund Financial Statements

The underlying accounting system of the District is organized and operated on the basis of separate funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Governmental resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled.

Fund financial statements for the primary government's governmental funds are presented after the government-wide financial statements. These statements display information about major funds individually.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds

The District implemented the Governmental Accounting Standards Board Statement 54 – Fund Balance Reporting and Governmental Fund Type Definitions. The Statement requires the fund balance for governmental funds to be reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in those funds can be spent.

The District has various policies governing the fund balance classifications.

Nonspendable Fund Balance – This classification consists of amounts that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact.

Restricted Fund Balance – This classification includes amounts that can be spent only for specific purposes stipulated by constitution, external resource providers, or through enabling legislation.

Assigned Fund Balance – This classification consists of the Board of Supervisors' intent to be used for specific purposes, but are neither restricted nor committed. The assigned fund balances can also be assigned by the District's management company.

Unassigned Fund Balance – This classification is the residual classification for the government's general fund and includes all spendable amounts not contained in the other classifications. Unassigned fund balance is considered to be utilized first when an expenditure is incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Fund Balance Spending Hierarchy – For all governmental funds except special revenue funds, when restricted, committed, assigned, and unassigned fund balances are combined in a fund, qualified expenditures are paid first from restricted or committed fund balance, as appropriate, then assigned and finally unassigned fund balances.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Measurement Focus and Basis of Accounting (Continued)

b. Fund Financial Statements (Continued)

Governmental Funds (Continued)

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are considered to be available when they are collected within the current period or soon thereafter to pay liabilities of the current period. For this purpose, the District considers revenues to be available if they are collected within 60 days of the end of the current fiscal period.

Expenditures generally are recorded when a liability is incurred, as under accrual accounting. Interest revenue associated with the current fiscal period is considered to be an accrual item and so has been recognized as revenue of the current fiscal period.

Under the current financial resources measurement focus, only current assets and current liabilities are included on the balance sheet. The reported fund balance is considered to be a measure of “available spendable resources”. Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they are said to present a summary of sources and uses of “available spendable resources” during a period.

Because of their spending measurement focus, expenditure recognition for governmental fund types excludes amounts represented by non-current liabilities. Since they do not affect net current assets, such long-term amounts are not recognized as governmental fund type expenditures or fund liabilities.

Amounts expended to acquire capital assets are recorded as expenditures in the year that resources are expended, rather than as fund assets. The proceeds of long-term debt are recorded as another financing source rather than as a fund liability.

Debt service expenditures are recorded only when payment is due.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

3. Basis of Presentation

a. Governmental Major Funds

General Fund – The General Fund is the District's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund. The General Fund is composed of General Fund and Reserve Fund balances.

Debt Service Fund – Accounts for debt service requirements to retire the capital improvement bonds which were used to finance the construction of District infrastructure improvements.

Capital Projects Fund – Accounts for the construction of improvements within the boundaries of the District.

b. Non-current Governmental Assets/Liabilities

GASB Statement 34 requires that non-current governmental assets, such as land and buildings, and non-current governmental liabilities, such as general obligation bonds, be reported in the governmental activities column in the government-wide Statement of Net Position.

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity

a. Cash and Investments

Florida Statutes require state and local governmental units to deposit monies with financial institutions classified as "Qualified Public Depositories," a multiple financial institution pool whereby groups of securities pledged by the various financial institutions provide common collateral from their deposits of public funds. This pool is provided as additional insurance to the federal depository insurance and allows for additional assessments against the member institutions, providing full insurance for public deposits.

The District is authorized to invest in those financial instruments as established by Section 218.415, Florida Statutes. The authorized investments consist of:

1. Direct obligations of the United States Treasury;
2. The Local Government Surplus Funds Trust or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperative Act of 1969;
3. Interest-bearing time deposits or savings accounts in authorized qualified public depositories;
4. Securities and Exchange Commission, registered money market funds with the highest credit quality rating from a nationally recognized rating agency.

Cash and cash equivalents includes time deposits, certificates of deposit and all highly liquid debt instruments with original maturities of three months or less.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

b. Restricted Assets

Certain assets of the District and a corresponding liability or portion of net position is classified as restricted on the statement of net position because their use is limited either by law through constitutional provisions or enabling legislation; or by restrictions imposed externally by creditors. In a fund with both restricted and unrestricted assets, qualified expenses are considered to be paid first from restricted net position and then from unrestricted net position.

c. Capital Assets

Capital assets, which include land improvements, infrastructure, improvements other than buildings and construction in progress are reported in governmental activities.

The District defines capital assets as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. The valuation basis for all assets is historical cost.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend its useful life are not capitalized.

Depreciation of capital assets is computed and recorded by utilizing the straight-line method over the assets' estimated useful lives. Useful life for assets is estimated at 15 years.

d. Budgets

Budgets are prepared and adopted after public hearings for the governmental funds, pursuant to Chapter 190, Florida Statutes. The District utilizes the same basis of accounting for budgets as it does for revenues and expenditures in its various funds. Formal budgets are adopted for the general fund. The legal level of budgetary control is at the fund level. As a result, deficits in the budget columns of the accompanying financial statements may occur. All budgeted appropriations lapse at year end.

e. Deferred Outflows of Resources

Deferred outflow of resources is the consumption of net position by the government that is applicable to a future reporting period. Deferred amount on refunding is amortized and recognized as a component of interest expense over the life of the bond.

f. Unamortized Bond Discounts/Premiums

Bond discounts/premiums are presented on the government-wide financial statements. The costs are amortized over the life of the bonds using the straight-line method. For financial reporting, the unamortized bond discounts/premiums are netted against the applicable long-term debt.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE A – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Deferred Outflows of Resources, Liabilities, and Net Position or Equity (Continued)

g. Net Position

Net position represents the difference between assets and liabilities and is reported in three categories. Net position invested in capital assets, net of related debt, represents capital assets, net of accumulated depreciation and any outstanding debt related to those assets. Net position is reported as restricted when there are legal limitations imposed on their use by legislation, or external restrictions imposed by other governments, creditors, or grantors. Unrestricted net position is assets that do not meet definitions of the classifications previously described.

NOTE B – CASH AND INVESTMENTS

All deposits are held in qualified public depositories and are included on the accompanying balance sheet as cash and investments.

Custodial Credit Risk – Deposits

Custodial credit risk is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a formal deposit policy for custodial credit risk; however, they follow the provisions of Chapter 280, Florida Statutes regarding deposits and investments. As of September 30, 2021, the District's bank balance was \$752,391 and the carrying value was \$692,340. Exposure to custodial credit risk was as follows. The District maintains all deposits in a qualified public depository in accordance with the provisions of Chapter 280, Florida Statutes, which means that all deposits are fully insured by Federal Depositors Insurance or collateralized under Chapter 280, Florida Statutes.

As of September 30, 2021, the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
First American Treasury Obligation Fund	13 days*	\$ 33,713
First American Govt Obligation Fund	14 days*	3,397,388
Florida PRIME	49 days*	5,276
Total		<u>\$ 3,436,377</u>

* Weighted average maturity

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS (CONTINUED)

The District categorizes its fair value measurement within the fair value hierarchy established by generally accepted accounting principles. The fair value is the price that would be received to sell an asset, or paid to transfer a liability, in an orderly transaction between market participants at the measurement date. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The District uses a market approach in measuring fair value that uses prices and other relevant information generated by market transactions involving identical or similar assets, liabilities, or groups of assets and liabilities.

Assets or liabilities are classified into one of three levels. Level 1 is the most realizable and is based on quoted price for identical assets, or liabilities, in an active market. Level 2 uses significant other observable inputs when obtained quoted prices for identical or similar assets, or liabilities, in markets that are not active. Level 3 is the least reliable and uses significant unobservable inputs that uses the best information available under the circumstances which includes the District's own data in measuring unobservable inputs.

Based on the criteria in the preceding paragraph, the investments in First American Treasury Obligation Fund and the first American Govt Obligation Fund are Level 1 assets.

Investments

The District's investment policy allows management to invest funds in investments permitted under Section 218.415, Florida Statutes. The investment in Florida PRIME is measured at amortized cost. Florida PRIME has established policies and guidelines regarding participant transactions and the authority to limit or restrict withdrawals or impose a penalty for an early withdrawal. As of September 30, 2021, there were no redemption fees, maximum transaction amounts, or any other requirements that would limit daily access to 100 percent of the account value.

Interest Rate Risk

The District does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates, however; the bond indenture limits the type of investments held using unspent proceeds.

Credit Risk

The District's investments are limited by state statutory requirements and bond compliance. The District has no investment policy that would further limit its investment choices.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE B – CASH AND INVESTMENTS (CONTINUED)

Credit Risk (Continued)

As a pool participant, the District invests in pools of investments in which shares are owned in the pool rather than the underlying investments. Fair market value is determined and reported as disclosed by the State Board of Administration and the calculation of the net change in the fair value of investments is independent of the calculation of realized gains and losses.

As of September 30, 2021, the District's investments in the First American Treasury Obligation Fund, First American Govt Obligation Fund and Florida PRIME were rated AAAM by Standard & Poor's.

Concentration of Credit Risk

The District places no limit on the amount it may invest in any one fund. The investments in First American Treasury Obligation Fund represent less than 1% and the investments in First American Govt Obligation Fund represent 99% of the District's total investments. The investment in Florida Prime represents less than 1% of the District's total investments.

The types of deposits and investments and their level of risk exposure as of September 30, 2021 were typical of these items during the fiscal year then ended. The District considers any decline in fair value for certain investments to be temporary.

NOTE C – SPECIAL ASSESSMENT REVENUES

Special assessment revenues recognized for the 2020-2021 fiscal year were levied in October 2020. All assessments are due and payable on November 1 or as soon as the assessment roll is certified and delivered to the Tax Collector. Per Section 197.162, Florida Statutes, discounts are allowed for early payment at the rate of 4% in November, 3% in December, 2% in January, and 1% in February. Assessments paid in March are without discount.

All unpaid assessments become delinquent as of April 1. Virtually all unpaid assessments are collected via the sale of tax certificates on or prior to, June 1; therefore, there were no material taxes receivable at fiscal year end.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE D – CAPITAL ASSETS

Capital Asset activity for the year ended September 30, 2021 was as follows:

	Balance 10/1/2020	Additions	Disposals	Balance 09/30/21
<u>Governmental Activities:</u>				
Capital assets, not depreciated:				
Land improvements	\$ 9,299,800	\$ -	\$ -	\$ 9,299,800
Construction in progress	466,065	5,250,979	-	5,717,044
Total Capital Assets, Not Depreciated	<u>9,765,865</u>	<u>5,250,979</u>	<u>-</u>	<u>15,016,844</u>
Capital assets, being depreciated:				
Infrastructure	13,836,783	-	-	13,836,783
Improvements other than buildings	646,872	-	-	646,872
Less accumulated depreciation:	<u>(380,230)</u>	<u>(507,319)</u>	<u>-</u>	<u>(887,549)</u>
Total Capital Assets Being Depreciated, Net	<u>14,103,425</u>	<u>(507,319)</u>	<u>-</u>	<u>13,596,106</u>
Governmental Activities Capital Assets	<u>\$ 23,869,290</u>	<u>\$ 4,743,660</u>	<u>\$ -</u>	<u>\$ 28,612,950</u>

Depreciation of \$507,319 was charged to physical environment.

NOTE E – LONG-TERM DEBT

The following is a summary of debt activity for the District for the year ended September 30, 2021:

	Balance 10/1/2020	Additions	Reductions	Balance 9/30/2021
<u>Governmental Activities:</u>				
Bonds payable:				
Series 2011A-1	\$ 9,685,000	\$ -	\$ (9,685,000)	\$ -
Series 2011A-2	11,285,000	-	(11,285,000)	-
Series 2020A	7,410,000	-	-	7,410,000
Series 2020A Bond Discount	(21,486)	-	716	(20,770)
Series 2021A-1	-	9,065,000	-	9,065,000
Series 2021A-2	-	9,930,000	-	9,930,000
Series 2021 Bond Premium	-	361,864	-	361,864
Bonds Payable, Net	<u>\$ 28,358,514</u>	<u>\$ 19,356,864</u>	<u>\$ (20,969,284)</u>	<u>\$ 26,746,094</u>

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE E – LONG-TERM DEBT (CONTINUED)

District debt is comprised of the following at September 30, 2021:

\$7,410,000 Series 2020A Capital Improvement Revenue Bonds maturing through 2051, at various interest rates between 2.75 and 3.875%, payable May 1 and November 1. Current portion is \$145,000. \$ 7,410,000

\$9,065,000 Series 2021A-1 and \$9,930,000 Series 2021A-2 Capital Improvement Refunding Revenue Bonds maturing through 2036, interest of 3%, payable May 1 and November 1. Current portions are \$485,000 and \$530,000, respectively. 18,995,000

Bonds Payable at September 30, 2021 \$ 26,405,000

The annual requirements to amortize the principal and interest of bonded debt outstanding as of September 30, 2021 are as follows:

Year Ending September 30,	Principal	Interest	Total
2022	\$ 1,160,000	\$ 624,744	\$ 1,784,744
2023	1,200,000	804,000	2,004,000
2024	1,240,000	768,375	2,008,375
2025	1,270,000	731,563	2,001,563
2026	1,305,000	693,850	1,998,850
2027-2031	7,180,000	2,849,725	10,029,725
2032-2036	8,360,000	1,684,594	10,044,594
2037-2041	1,275,000	807,375	2,082,375
2042-2046	1,540,000	546,763	2,086,763
2047-2051	<u>1,875,000</u>	<u>223,781</u>	<u>2,098,781</u>
Totals	<u>\$ 26,405,000</u>	<u>\$ 9,734,770</u>	<u>\$ 36,139,770</u>

In September 2021, the District issued \$9,065,000 Series 2021A-1 and \$9,930,000 Series 2021A-2 Capital Improvement Refunding Revenue Bonds which retire the Series 2011A-1 and Series 2011A-2 Capital Improvement Revenue Bonds. The current refunding of the Series 2011A-1 Bonds resulted in a deferred amount on refunding of \$191,374. As a result of this transaction, the District decreases its aggregate debt payment by \$2,013,829 over the next 14 years and realized an economic gain of approximately \$1,545,224. The current refunding of the Series 2011A-2 Bonds resulted in a deferred amount on refunding of \$197,756. As a result of this transaction, the District decreases its aggregate debt payment by \$1,539,802 over the next 14 years and realized an economic gain of approximately \$1,194,266.

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE E – LONG-TERM DEBT (CONTINUED)

Summary of Significant Bonds Resolution Terms and Covenants

Capital Improvement Revenue Bonds, Series 2020A

The Series 2020A Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2031 a price equal to the par amount of the Series 2020A Bonds thereof, together with accrued interest to the date of redemption. The Series 2020A are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Funds – The Series 2020A Reserve Account was funded from the proceeds of the Series 2020A Bonds in an amount equal to 50 percent of the outstanding Series 2020A Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2021:

	Reserve Balance	Reserve Requirement
Capital Improvement Revenue Bonds, Series 2020A	\$ 206,925	\$ 206,925

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE E – LONG-TERM DEBT (CONTINUED)

Capital Improvement Revenue Bonds, Series 2021 A-1 and A-2

Significant Bond Provisions

The Series 2021A-1 and Series 2021A-2 Bonds are subject to redemption at the option of the District prior to their maturity, in whole or in part, at any time after May 1, 2031 a price equal to the par amount of the Series 2021A-1/2 Bonds thereof, together with accrued interest to the date of redemption. The Series 2021A-1 and Series 2021A-2 Bonds are subject to extraordinary mandatory redemption prior to maturity in the manner determined by the Bond Registrar if certain events occurred as outlined in the Trust Indenture.

The Trust Indenture established certain amounts be maintained in a reserve account. In addition, the Trust Indenture has certain restrictions and requirements relating principally to the use of proceeds to pay for the infrastructure improvements and the procedures to be followed by the District on assessments to property owners. The District agrees to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements.

Depository Funds

The bond resolution establishes certain funds and determines the order in which revenues are to be deposited into these funds. A description of the significant funds, including their purposes, is as follows:

Reserve Funds – The Series 2021A-1 Reserve Account was funded from the proceeds of the Series 2021A-1 Bonds in an amount equal to 10 percent of the maximum outstanding debt related to the Series 2021A-1 Bonds. The Series 2021A-2 Reserve Account was funded from the proceeds of the Series 2021A-2 Bonds in an amount equal to 50 percent of the maximum outstanding debt related to the Series 2021A-2 Bonds. Monies held in the reserve accounts will be used only for the purposes established in the Trust Indenture.

The following is a schedule of required reserve balances as of September 30, 2021:

	<u>Reserve Balance</u>	<u>Reserve Requirement</u>
Capital Improvement Refunding Revenue Bonds, Series 2021A-1	\$ 75,460	\$ 75,460
Capital Improvement Refunding Revenue Bonds, Series 2021A-2	\$ 412,550	\$ 412,550

River Hall Community Development District
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

NOTE F – ECONOMIC DEPENDENCY

The District's activity is dependent upon the continued involvement of the Developer, the loss of which would have a material adverse effect on the District's operations.

NOTE G – RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; and natural disasters for which the government carries commercial insurance. There have been no claims filed for the past three years.



**Berger, Toombs, Elam,
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**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT
OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of River Hall Community Development District, as of and for the year ended September 30, 2021, and the related notes to the financial statements, and have issued our report thereon dated March 22, 2022.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered River Hall Community Development District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of River Hall Community Development District's internal control. Accordingly, we do not express an opinion on the effectiveness of River Hall Community Development District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether River Hall Community Development District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 22, 2022



Berger, Toombs, Elam, Gaines & Frank

Certified Public Accountants PL

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MANAGEMENT LETTER

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

Report on the Financial Statements

We have audited the financial statements of the River Hall Community Development District as of and for the year ended September 30, 2021, and have issued our report thereon dated March 22, 2022.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States and Chapter 10.550, Rules of the Florida Auditor General.

Other Reports and Schedule

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* and our Independent Auditor's Report on an examination conducted in accordance with AICPA Professionals Standards, AT-C Section 315 regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in that report, which is dated March 22, 2022, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.554(1)(i)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been made to address findings and recommendations made in the preceding financial audit report. There were no findings or recommendations made in the preceding financial audit report.

Financial Condition

Section 10.554(1)(i)5.a. and 10.556(7), Rules of the Auditor General, requires us to apply appropriate procedures and communicate the results of our determination as to whether or not River Hall Community Development District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the River Hall Community Development District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.



To the Board of Supervisors
River Hall Community Development District

Pursuant to Sections 10.554(1)(i)5.b. and 10.556(8), Rules of the Auditor General, we applied financial conditions assessment procedures as of September 30, 2021 for the River Hall Community Development District. It is management's responsibility to monitor the River Hall Community Development District's financial condition; our financial condition assessment was based in part on the representations made by management and the review of the financial information provided by the same.

Section 10.554(1)(i)2., Rules of the Auditor General, requires that we communicate any recommendations to improve financial management. In connection with our audit, we did not have any such recommendations.

Specific Information

The information below was provided by management and has not been audited by us; therefore, we do not express an opinion or provide any assurance on the information.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)6, Rules of the Auditor General, River Hall Community Development District reported:

- 1) The total number of district employees compensated in the last pay period of the District's fiscal year: N/A.
- 2) The total number of independent contractors to whom nonemployee compensation was paid in the last month of the District's fiscal year: N/A.
- 3) All compensation earned by or awarded to employees, whether paid or accrued, regardless of contingency: N/A.
- 4) All compensation earned by or awarded to nonemployee independent contractors, whether paid or accrued, regardless of contingency: The District paid \$5,222,623 to nonemployee independent contractors.
- 5) Each construction project with a total cost of at least \$65,000 approved by the District that is scheduled to begin on or after October 1, 2020, together with the total expenditures for such project: The District has no construction projects at this time.
- 6) A budget variance based on the budget adopted under Section 189.016(4), Florida Statutes, before the beginning of the fiscal year being reported if the District amends a final adopted budget under Section 189.016(6), Florida Statutes: The District did not amend the original budget.

As required by Section 218.39(3)(c), Florida Statutes, and Section 10.554(1)(i)8, Rules of the Auditor General, the River Hall Community Development District reported:

- 7) The rate or rates of non-ad valorem special assessments imposed by the District. The General Fund assessment was \$182.18 - \$535.83 and the Debt Service assessment was \$283.89 - \$2,188.34.
- 8) Total Special Assessments collected was \$2,564,457.
- 9) The total amount of outstanding bonds issued by the District and the terms of such bonds. The District had outstanding bonds at September 30, 2021 of \$7,410,000 Series 2020A Bonds, maturing in 2051 and \$18,995,000 of Series 20121A-1 and A-2 Bonds maturing in 2036.



Berger, Toombs, Elam,
Gaines & Frank
Certified Public Accountants PL

To the Board of Supervisors
River Hall Community Development District

Additional Matters

Section 10.554(1)(i)3., Rules of the Auditor General, requires us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not note any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, the Board of Supervisors, and applicable management, and is not intended to be and should not be used by anyone other than these specified parties.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 22, 2022



**Berger, Toombs, Elam,
Gaines & Frank**

Certified Public Accountants PL

600 Citrus Avenue
Suite 200
Fort Pierce, Florida 34950

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FAX: 772/468-9278

**INDEPENDENT ACCOUNTANTS' REPORT/COMPLIANCE
WITH SECTION 218.415, FLORIDA STATUTES**

To the Board of Supervisors
River Hall Community Development District
Lee County, Florida

We have examined River Hall Community Development District's compliance with Section 218.415, Florida Statutes during the year ended September 30, 2021. Management is responsible for River Hall Community Development District's compliance with those requirements. Our responsibility is to express an opinion on River Hall Community Development District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about River Hall Community Development District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on River Hall Community Development District's compliance with the specified requirements.

In our opinion, River Hall Community Development District complied, in all material respects, with the aforementioned requirements during the year ended September 30, 2021.

*Berger Toombs Elam
Gaines & Frank*

Berger, Toombs, Elam, Gaines & Frank
Certified Public Accountants PL
Fort Pierce, Florida

March 22, 2022

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**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
FINANCIAL STATEMENTS
UNAUDITED
SEPTEMBER 30, 2023**

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2023**

	General Fund	Debt Service Fund Series 2011	Debt Service Fund Series 2020A	Debt Service Fund Series 2021	Capital Projects Fund Series 2011	Capital Projects Fund Series 2020A	Total Governmental Funds
ASSETS							
SunTrust	\$ 962,713	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 962,713
Investments							
SBA	5,583	-	-	-	-	-	5,583
Reserve A-1	-	-	206,925	75,400	-	-	282,325
Reserve A-2	-	-	-	412,550	-	-	412,550
Revenue A-1	-	-	164,287	159,850	-	-	324,137
Revenue A-2	-	-	-	183,820	-	-	183,820
Prepayment A-1	-	-	-	67	-	-	67
Construction	-	-	-	-	-	234,240	234,240
Deposits	1,622	-	-	-	-	-	1,622
Ashton oaks HOA	1,553	-	-	-	-	-	1,553
Hampton golf & country club	5,337	-	-	-	-	-	5,337
Cascades at river hall	550	-	-	-	-	-	550
Assessments receivable	1,487	-	1,055	3,710	-	-	6,252
Undeposited funds	11,223	-	-	-	-	-	11,223
Total assets	<u>\$ 990,068</u>	<u>\$ -</u>	<u>\$ 372,267</u>	<u>\$ 835,397</u>	<u>\$ -</u>	<u>\$ 234,240</u>	<u>\$ 2,431,972</u>
LIABILITIES AND FUND BALANCES							
Liabilities:							
Accounts payable	\$ 56,060	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 56,060
Due to Developer	20,404	-	-	-	-	-	20,404
Total liabilities	<u>76,464</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>76,464</u>
DEFERRED INFLOWS OF RESOURCES							
Deferred receipts	7,440	-	-	-	-	-	7,440
Total deferred inflows of resources	<u>7,440</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>7,440</u>
Fund balances:							
Nonspendable							
Prepaid and deposits	1,622	-	-	-	-	-	1,622
Restricted for:							
Debt service	-	-	372,267	835,397	-	-	1,207,664
Capital projects	-	-	-	-	-	234,240	234,240
Assigned to:							
Operating capital	145,000	-	-	-	-	-	145,000
Disaster recovery	250,000	-	-	-	-	-	250,000
Unassigned	509,542	-	-	-	-	-	509,542
Total fund balances	<u>906,164</u>	<u>-</u>	<u>372,267</u>	<u>835,397</u>	<u>-</u>	<u>234,240</u>	<u>2,348,068</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 990,068</u>	<u>\$ -</u>	<u>\$ 372,267</u>	<u>\$ 835,397</u>	<u>\$ -</u>	<u>\$ 234,240</u>	<u>\$ 2,431,972</u>

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year to Date	Budget	% of Budget
REVENUES				
Assessment levy: on-roll: net	\$ 1,487	\$ 594,549	584,451	102%
Assessment levy: off-roll	-	130,870	130,870	100%
Miscellaneous hog program shared cost	11,223	19,794	16,500	120%
Interest and miscellaneous	26	262	500	52%
Total revenues	<u>12,736</u>	<u>745,475</u>	<u>732,321</u>	102%
EXPENDITURES				
Legislative				
Supervisor	1,000	10,200	12,000	85%
<i>Financial & administrative</i>				
District management	3,750	45,000	45,000	100%
District engineer	2,808	34,556	25,000	138%
Trustee	-	-	7,100	0%
Tax collector/property appraiser	-	5,437	5,653	96%
Assessment roll prep	375	4,500	4,500	100%
Auditing services	-	3,515	3,300	107%
Arbitrage rebate calculation	-	-	650	0%
Public officials liability insurance	-	12,621	12,500	101%
Legal advertising	338	6,432	1,100	585%
Bank fees	367	962	350	275%
Dues, licenses & fees	-	175	175	100%
Postage	-	750	1,300	58%
ADA website compliance	-	210	210	100%
Website maintenance	-	705	705	100%
<i>Legal counsel</i>				
District counsel	5,977	18,417	14,000	132%
Litigation	22	22		
<i>Electric utility services</i>				
Utility services	624	10,975	11,000	100%
Street lights	-	1,808	2,000	90%
<i>Stormwater control</i>				
Fountain service repairs & maintenance	-	-	6,000	0%
Aquatic maintenance	-	88,936	152,465	58%
Hog removal	3,300	18,150	19,800	92%
Lake/pond bank maintenance	18,800	25,100	5,000	502%
Stormwater system maintenance	-	5,829	40,000	15%

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year to Date	Budget	% of Budget
<i>Other physical environment</i>				
General liability insurance	-	4,490	5,000	90%
Property insurance	-	9,018	10,000	90%
Entry & walls maintenance	-	20,525	5,000	411%
Landscape maintenance	43,922	195,038	195,000	100%
Irrigation repairs & maintenance	-	12,125	12,500	97%
Landscape replacement plants, shrubs, trees	-	-	20,000	0%
Annual mulching	-	6,553	9,000	73%
Holiday decorations	-	11,000	12,000	92%
Clock tower maintenance	-	-	1,750	0%
Ornamental lighting & maintenance	-	1,816	1,000	182%
Hurricane clean-up	-	3,330	-	N/A
<i>Road & street facilities</i>				
Street/parking lot sweeping	-	728	750	97%
Street light/decorative light maintenance	-	10,797	3,500	308%
Roadway repair & maintenance	-	1,503	1,500	100%
Sidewalk repair & maintenance	-	-	2,500	0%
Street sign repair & replacement	-	28,920	1,500	1928%
<i>Contingency</i>				
Miscellaneous contingency	1,500	82,450	50	164900%
Total expenditures	<u>82,783</u>	<u>682,593</u>	<u>650,858</u>	105%
Excess/(deficiency) of revenues over/(under) expenditures	(70,047)	62,882	81,463	
Fund balances - beginning	976,211	843,282	785,490	
Assigned				
Operating capital	145,000	145,000	145,000	
Disaster recovery	250,000	250,000	250,000	
Unassigned	511,164	511,164	471,953	
Fund balances - ending	<u>\$ 906,164</u>	<u>\$ 906,164</u>	<u>\$ 866,953</u>	

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2011
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year To Date
REVENUES	<u>\$ -</u>	<u>\$ -</u>
Total revenues	<u>-</u>	<u>-</u>
 31-Aug-23		
Debt service		
Contingencies	<u>8</u>	<u>8</u>
Total debt service	<u>8</u>	<u>8</u>
 Excess/(deficiency) of revenues over/(under) expenditures	 (8)	 (8)
 Fund balances - beginning	 <u>8</u>	 <u>8</u>
Fund balances - ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2020A
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Special assessment: on-roll	\$ 1,055	\$ 419,503	\$ 414,720	101%
Interest	1,547	14,950	-	N/A
Total revenues	<u>2,602</u>	<u>434,453</u>	<u>414,720</u>	105%
EXPENDITURES				
Debt service				
Principal	-	150,000	150,000	100%
Interest	-	264,600	264,600	100%
Total debt service	<u>-</u>	<u>414,600</u>	<u>414,600</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	2,602	19,853	120	
Fund balances - beginning	369,665	352,414	342,380	
Fund balances - ending	<u>\$ 372,267</u>	<u>\$ 372,267</u>	<u>\$ 342,500</u>	

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUND SERIES 2021
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year To Date	Budget	% of Budget
REVENUES				
Special assessment: on-roll	\$ 3,710	\$ 1,475,843	\$ 1,461,048	101%
Special assessment: off-roll	-	118,652	118,652	100%
Interest	3,464	39,096	-	N/A
Total revenues	<u>7,174</u>	<u>1,633,591</u>	<u>1,579,700</u>	103%
31-Aug-23				
Debt service				
Principal (A-1)	-	500,000	500,000	100%
Principal (A-2)	-	550,000	550,000	100%
Interest (A-1)	-	257,250	257,400	100%
Interest (A-2)	-	282,000	282,000	100%
Total expenditures	<u>-</u>	<u>1,589,250</u>	<u>1,589,400</u>	100%
Excess/(deficiency) of revenues over/(under) expenditures	7,174	44,341	(9,700)	
Fund balances - beginning	828,223	791,056	778,544	
Fund balances - ending	<u>\$ 835,397</u>	<u>\$ 835,397</u>	<u>\$ 768,844</u>	

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2011
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year To Date
REVENUES		
Micellaneous income	\$ 8	\$ 8
Total revenues	<u>8</u>	<u>8</u>
EXPENDITURES	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	8	8
Fund balances - beginning	(8)	(8)
Fund balances - ending	<u>\$ -</u>	<u>\$ -</u>

**RIVER HALL
COMMUNITY DEVELOPMENT DISTRICT
STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUND SERIES 2020A
FOR THE PERIOD ENDED SEPTEMBER 30, 2023**

	Current Month	Year To Date
REVENUES		
Interest	\$ 976	\$ 8,934
Total revenues	<u>976</u>	<u>8,934</u>
31-Aug-23	<u>-</u>	<u>-</u>
Total expenditures	<u>-</u>	<u>-</u>
Excess/(deficiency) of revenues over/(under) expenditures	976	8,934
Fund balances - beginning	233,264	225,306
Fund balances - ending	<u>\$ 234,240</u>	<u>\$ 234,240</u>

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APPENDIX F

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 River Hall Community Development District (the "Issuer" or the "District"), RH Venture II, LLC, a Florida limited liability company and RH Venture III, LLC, a Florida limited liability company (collectively, the "Landowners"), and Wrathell, Hunt & Associates, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Capital Improvement Revenue Bonds, Series 2023A (Assessment Area 4) (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of October 1, 2005 (the "Master Indenture") and a Fifth Supplemental Trust Indenture dated as of November 1, 2023 (the "Fifth 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 Landowners and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Landowners and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. **Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment Area" shall mean that portion of the District lands subject to Assessments, more particularly described in the Limited Offering Memorandum as Assessment Area 4.

"Assessments" shall mean the non-ad valorem 2023A 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) 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 for the purposes of this Disclosure Agreement, the Landowners for so long as such Landowners 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 May 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 provide the Annual Report to the Dissemination Agent no later than March 31st following the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending September 30, 2024 which shall be due no later than March 31, 2025. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall file its Audited Financial Statements for the Fiscal Year ended September 30, 2023 on or before June 30, 2024. The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15th) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that

a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1st) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1st) 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 be in the form set in Schedule A attached hereto and shall contain the following Annual Financial Information with respect to the Issuer:

(i) All fund balances in all Funds and Accounts for the Bonds.

(ii) The method by which Assessments are being levied (whether on-roll or off-roll) and the amounts being levied by each method in the Assessment Area for the current Fiscal Year, and a copy of the assessment roll (on roll and off roll) for the Assessments levied in the Assessment Area for the current Fiscal Year.

(iii) The method by which Assessments were levied (whether on-roll or off-roll) and the amounts levied 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 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 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 total amount of Bonds Outstanding.

(viii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(ix) The most recent Audited Financial Statements of the Issuer.

(x) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

To the extent any of the items set forth in subsections (i) through (viii) above are included in the Audited Financial Statements referred to in subsection (ix) above, they do not have to be separately set forth (unless Audited Financial Statements are being delivered more than 180 days after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

5. **Quarterly Reports.**

(a) Each Obligated Person (other than the Issuer) shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) 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 Landowners.

- (iii) The number of lots owned by the Builder(s).

- (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 an 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 Landowners from their 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 2023A Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;*
- (v) Substitution of credit or liquidity providers, or their failure to perform;*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bond holders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;*

* Not applicable to the Bonds at their date of issuance.

(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) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Events described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent shall

identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Dissemination Agent to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv) or (xvi) that has occurred with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

7. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be 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 thirty (30) days prior written notice to the District and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of 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 Landowners 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, each Obligated Person 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 Landowner, 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 Lee 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 Lee County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and by PDF signature and all of which shall constitute but one and the same instrument.

17. **Trustee Cooperation.** The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and the Issuer instructs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports readily available to and in the possession of the Trustee that the Dissemination Agent requests in writing.

18. **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 Landowners 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.

[SEAL]

ATTEST:

By: _____
Secretary

**RIVER HALL COMMUNITY
DEVELOPMENT DISTRICT, AS ISSUER**

By: _____
Chairperson, Board of Supervisors

RH VENTURE II, LLC, AS LANDOWNER

By: _____
_____, Vice President

RH VENTURE III, LLC, AS LANDOWNER

By: _____
_____, Vice President

CONSENTED TO AND AGREED TO BY:

DISTRICT MANAGER

**WRATHELL, HUNT & ASSOCIATES,
LLC, AS DISTRICT MANAGER**

By: _____
Name: _____
Title: _____

**WRATHELL, HUNT & ASSOCIATES, LLC,
and its successors and assigns, AS
DISSEMINATION AGENT**

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: River Hall Community Development District

Name of Bond Issue: \$[] original aggregate principal amount of Capital
Improvement Revenue Bonds, Series 2023A (Assessment Area 4)

Obligated Person(s): River Hall 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 Landowners 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

SCHEDULE A

FORM OF DISTRICT'S ANNUAL REPORT

1. Fund Balances

Combined Trust Estate Assets	<u>FY Ended – 9/30</u>
Acquisition and Construction Fund	
Revenue Fund	
Reserve Fund	
Prepayment Fund	
Other	
Total Bonds Outstanding	
TOTAL	

2. Assessment Levy and Collection Information

1. For the Current District Fiscal Year – Manner in which Assessments are collected (On Roll vs. Off Roll)

	<u>\$ Levied</u>
On Roll	\$ _____
Off Roll	\$ _____
TOTAL LEVY	\$ _____

2. Attach to Report the following:
 - A. On Roll Levy – Copy of certified tax roll for the District's current Fiscal Year
 - B. Off Roll Levy – List of folios and ownership for all off roll Assessments, together with par and annual Assessment assigned to each folio

3. For the Bond Year ended during this calendar year, provide the levy and collection information

<u>Total Levy</u>	<u>\$ Levied</u>	<u>\$ Collected</u>	<u>% Collected</u>	<u>% Delinquent</u>
On Roll	\$ _____	\$ _____	____%	____%
Off Roll	\$ _____	\$ _____	____%	____%
TOTAL				

4. If Tax Certificates were sold during Bond Year ended this calendar year, amount collected via tax certificate sale

5. The amount of principal and interest to be paid on the Bonds in the current Fiscal Year

