

PRELIMINARY LIMITED OFFERING MEMORANDUM DATED SEPTEMBER 12, 2024

NEW ISSUE – BOOK-ENTRY ONLY
LIMITED OFFERING

NOT RATED

In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2024A Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes, except as otherwise described herein under the caption "TAX MATTERS" and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2024A Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT
(Pasco County, Florida)
\$8,115,000\* Capital Improvement Revenue Bonds, Series 2024A
(Neighborhood 4 – Assessment Area Two)

Dated: Date of original issuance

Due: May 1, as shown below

The \$8,115,000\* Longleaf Community Development District Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two) (the "Series 2024A Bonds"), are being issued by the Longleaf Community Development District (the "District") pursuant to a Master Trust Indenture dated as of May 1, 1999 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), as amended and supplemented by a Sixth Supplemental Trust Indenture dated as of September 1, 2024, between the District and the Trustee (the "Supplemental Indenture") and together with the Master Indenture, the "Indenture". Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture.

The Series 2024A Bonds are being issued only in fully registered form, in denominations of \$5,000 and any integral multiple thereof. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance No. 98-21, enacted by the Board of County Commissioners of Pasco County, Florida (the "County") on September 29, 1998 (the "Ordinance").

The Series 2024A Bonds are payable from and secured by the Series 2024A Trust Estate, which includes the Series 2024A Pledged Revenues and the Series 2024A Pledged Funds. The Series 2024A Pledged Revenues consist of the revenues derived by the District from the Series 2024A Assessments (as further described herein). The Series 2024A Pledged Funds include all of the Funds and Accounts (except for the Series 2024A Rebate Account) established by the Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS" herein.

The Series 2024A Bonds, when issued, will be registered in the name of Cede & Co., as the Owner and Nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2024A Bonds will be made in book-entry only form. Accordingly, principal of and interest on the Series 2024A Bonds will be paid from the sources provided herein by the Trustee directly to Cede & Co. as the Nominee of DTC and the registered Owner thereof. Disbursements of such payments to the Direct Participants (as defined herein) is the responsibility of DTC and disbursements of such payments to the Beneficial Owners is the responsibility of Direct Participants and the Indirect Participants (as defined herein), as more fully described herein. Any purchaser as a Beneficial Owner of a Series 2024A 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 Series 2024A Bond. See "DESCRIPTION OF THE SERIES 2024A BONDS – Book-Entry Only System" herein. The Series 2024A Bonds will bear interest at the fixed rates set forth below, calculated on the basis of a 360-day year of twelve 30-day months. Interest on the Series 2024A Bonds is payable semi-annually on each May 1 and November 1, commencing May 1, 2025.

The Series 2024A Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein. See "DESCRIPTION OF THE SERIES 2024A BONDS – Redemption Provisions" herein.

The Series 2024A Bonds are being issued to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Neighborhood 4 – Assessment Area Two Project (as defined herein), (b) pay certain costs associated with the issuance of the Series 2024A Bonds, (c) make a deposit into the Series 2024A Reserve Account to be held for the benefit of all of the Series 2024A Bonds, and (d) pay a portion of the interest to become due on the Series 2024A Bonds.

NEITHER THE SERIES 2024A 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 2024A 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 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 SERIES 2024A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2024A BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024A PLEDGED REVENUES AND THE SERIES 2024A PLEDGED FUNDS PLEDGED TO THE SERIES 2024A BONDS, ALL AS PROVIDED IN THE SERIES 2024A BONDS AND IN THE INDENTURE.

THE SERIES 2024A BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" HEREIN). THE UNDERWRITER IS LIMITING THE OFFERING OF THE SERIES 2024A BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. HOWEVER, THE LIMITATION OF THE INITIAL OFFERING OF THE SERIES 2024A BONDS TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2024A BONDS. THE SERIES 2024A BONDS ARE NOT CREDIT ENHANCED AND ARE NOT RATED AND NO APPLICATION HAS BEEN MADE FOR CREDIT ENHANCEMENT OR A RATING WITH RESPECT TO THE SERIES 2024A BONDS, NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT OR A RATING FOR THE SERIES 2024A BONDS HAD APPLICATION BEEN MADE.

This cover page contains information for quick reference only. It is not, and is not intended to be, a summary of the Series 2024A Bonds. Investors must read this entire Limited Offering Memorandum, including the appendices attached hereto, to obtain information essential to the making of an informed investment decision.

PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS†

Table with 7 columns: Principal Amount, Interest Rate, Maturity Date, Yield, Price, and CUSIP No.†. It lists three rows for Term Series 2024A Bonds due May 1, 2025.

The Series 2024A Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2024A 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, Straley Robin Vericker P.A., Tampa, Florida, for the Developer by its counsel, Shuitts & Bowen LLP, Tampa, Florida, and for the Trustee by its counsel, Holland & Knight LLP, Miami, Florida. Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida, is serving as Underwriter's Counsel and Nabors, Giblin & Nickerson, P.A., Tampa, Florida, is serving as Disclosure Counsel. It is expected that the Series 2024A Bonds will be available for delivery through the facilities of DTC on or about \_\_\_\_\_, 2024.



Dated: \_\_\_\_\_, 2024

\* Preliminary, subject to change.

† The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They 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. The Series 2024A Bonds may not be sold nor may offers to buy be accepted prior to the time the Limited Offering Memorandum is delivered in final form. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy nor shall there be any sale of the Series 2024A Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS**

Robert Hideck, Chairman  
Elizabeth Blair, Vice-Chairman  
Veronica Johnson, Assistant Secretary  
Lindsay Moore, Assistant Secretary  
Karl Mager, Assistant Secretary

**DISTRICT MANAGER/ASSESSMENT CONSULTANT**

Inframark, LLC  
Wesley Chapel, Florida

**DISTRICT COUNSEL**

Straley Robin Vericker P.A.  
Tampa, Florida

**CONSULTING ENGINEER**

BGE, Inc.  
Tampa, Florida

**BOND COUNSEL/DISCLOSURE COUNSEL**

Nabors, Giblin & Nickerson, P.A.  
Tampa, Florida

## **REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM**

No dealer, broker, salesperson or other person has been authorized by the District, Pasco County, Florida, the State of Florida or the Underwriter (as defined herein) 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 any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2024A 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 District, the District Manager, the Consulting Engineer, the Assessment Consultant, the Developer (each as defined herein) and other sources that are believed by the Underwriter to be reliable.

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.

At closing, the District, the District Manager, the Consulting Engineer, the Assessment Consultant and the Developer will each deliver certificates certifying that certain of the information supplied by each does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information and expressions of opinion herein 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 with respect to the matters described herein since the date hereof.

The Series 2024A 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 Series 2024A 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 Pasco County, Florida, the State of Florida, nor any of its subdivisions or agencies have guaranteed or passed upon the merits of the Series 2024A Bonds, upon the probability of any earnings thereon or upon the accuracy or adequacy of this Limited Offering Memorandum.

Certain statements included or incorporated by reference in this Limited Offering Memorandum constitute "forward-looking statements" within the meaning of the United States Private Securities Litigation Reform Act of 1995, Section 21E of the United States Exchange Act of 1934, as amended, and Section 27A of the Securities Act of 1933, as amended. Such statements are generally identifiable by the terminology used such as "plan," "expect," "estimate," "project," "anticipate," "budget," or other similar words. 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 Developer 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.

The order and placement of materials in this Limited Offering Memorandum, including the appendices, are not to be deemed a determination of relevance, materiality or importance, and this Limited Offering Memorandum, including the appendices, must be considered in its entirety. The captions and headings in this Limited Offering Memorandum are for convenience of reference only and in no way define, limit or describe the scope or intent, or affect the meaning or construction, of any provisions or sections in this Limited Offering Memorandum.

This Limited Offering Memorandum is being provided to prospective purchasers in electronic format on the following websites: [www.munios.com](http://www.munios.com) and [www.emma.msrb.org](http://www.emma.msrb.org). This Limited Offering Memorandum may be relied upon only as printed in its entirety directly from either of such websites.

References to website addresses presented herein are for information purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such websites and the information or links contained therein are not incorporated into, and are not part of, this Limited Offering Memorandum for any purpose, including for purposes of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

This Limited Offering Memorandum is not, and shall not be deemed to constitute, an offer to sell, or the solicitation of an offer to buy, real estate, which may only be made pursuant to offering documents satisfying applicable federal and state laws relating to the offer and sale of real estate.

This Preliminary Limited Offering Memorandum is in a form deemed final by the District for purposes of Rule 15c2-12 issued 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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**LIMITED OFFERING MEMORANDUM**

**relating to**

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
(Pasco County, Florida)  
\$8,115,000\* Capital Improvement Revenue Bonds, Series 2024A  
(Neighborhood 4 – Assessment Area Two)**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning the Longleaf Community Development District (the "District") in connection with the offering and issuance by the District of its \$8,115,000\* Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two) (the "Series 2024A Bonds").

The Series 2024A Bonds are being issued pursuant to the Act (hereinafter defined) and a Master Trust Indenture dated as of May 1, 1999 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), as amended and supplemented by a Sixth Supplemental Trust Indenture dated as of September 1, 2024, between the District and the Trustee (the "Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), and resolutions adopted by the Board of Supervisors of the District (the "Board") on April 27, 2021 and September 10, 2024, authorizing the issuance of the Series 2024A Bonds. All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the Indenture, which appears in composite APPENDIX C attached hereto.

The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes (the "Act"), the Florida Constitution, and other applicable provisions of law, and established by Ordinance No. 98-21, enacted by the Board of County Commissioners of Pasco County, Florida (the "County") on September 29, 1998 (the "Ordinance"). The District was established for the purpose, among other things, of financing and managing the acquisition, construction, maintenance, and operation of the major infrastructure within and without the boundaries of the District. For more complete information about the District, the Board and the District Manager (hereinafter defined), see "THE DISTRICT" herein.

The Act authorizes the District to issue bonds for the purposes, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, recreational facilities and other basic infrastructure projects within or without the boundaries of the District, all as provided in the Act.

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\* Preliminary, subject to change.

The boundaries of the District include approximately 562.562 acres of land (the "District Lands") located entirely within an unincorporated area of the County and are generally coterminous with the mixed-use development known as "Longleaf" (the "Development"). The Development currently includes 684 residential units and commercial property, along with various recreational amenities, all within Neighborhoods 1, 2, 3 and 5. Neighborhood 4 of the Development encompasses approximately 125.5 acres and is being developed by Hawk Longleaf, LLC, a Delaware limited liability company (the "Developer"). Neighborhood 4 is anticipated to include 118 townhome residential units and 277 single-family residential units and various recreational amenities. Approximately 63.94 gross acres of Neighborhood 4 consisting of Phases 3, 4 and 5 are currently planned to include 189 single-family residential units ("Neighborhood 4 – Assessment Area Two"). The Neighborhood 4 – Assessment Area Two Project (hereinafter defined) consists of public master and subdivision infrastructure for the benefit of the 189 residential units planned within Neighborhood 4 – Assessment Area Two. See "THE NEIGHBORHOOD 4 – ASSESSMENT AREA TWO PROJECT" and "THE DEVELOPMENT" herein.

Under the Constitution and laws of the State of Florida (the "State"), including the Act, the District has the power and authority to levy non-ad valorem assessments upon the District Lands and to issue bonds for the purposes of providing community development services and facilities, including those financed with the net proceeds of the Series 2024A Bonds as described herein.

Consistent with the requirements of the Indenture and the Ordinance, the Series 2024A Bonds are being issued to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Neighborhood 4 – Assessment Area Two Project, (b) pay certain costs associated with the issuance of the Series 2024A Bonds, (c) make a deposit into the Series 2024A Reserve Account to be held for the benefit of all of the Series 2024A Bonds, and (d) pay a portion of the interest to become due on the Series 2024A Bonds.

The Series 2024A Bonds are payable from and secured by the revenues derived by the District from certain non-ad valorem special assessments (the "Series 2024A Assessments") and amounts in the Funds and Accounts (except for the Series 2024A Rebate Account) established by the Indenture (collectively, the "Series 2024A Trust Estate"). The Series 2024A Assessments are being imposed, levied and collected by the District with respect to property within Neighborhood 4 – Assessment Area Two that is specially benefited by the Neighborhood 4 – Assessment Area Two Project. The Series 2024A Assessments will be initially levied against all gross developable and unplatted acreage within Neighborhood 4 – Assessment Area Two, but ultimately assigned to approximately 189 residential units planned within Neighborhood 4 – Assessment Area Two that are subject to assessment as a result of the Neighborhood 4 – Assessment Area Two Project on a first platted first assigned basis as described in the Assessment Report (hereinafter defined).

The Series 2024A Assessments represent an allocation of the Costs of the Neighborhood 4 – Assessment Area Two Project, including bond financing costs, to certain lands within Neighborhood 4 – Assessment Area Two in accordance with the Assessment Report. The Assessment Report and assessment resolutions with respect to the Series 2024A Assessments (collectively, the "Assessment Proceedings") permit the prepayment in

part or in full of the Series 2024A Assessments at any time without penalty, together with interest at the rate on the Series 2024A Bonds to the Quarterly Redemption Date that is more than forty-five (45) days next succeeding the date of prepayment. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein.

Subsequent to the issuance of the Series 2024A Bonds, the District may cause one or more Series of Bonds to be issued pursuant to the Master Indenture, subject to the terms and conditions thereof. Bonds may be issued for the purpose of paying all or part of the Cost of a Series Project or refunding an Outstanding Series of Bonds or any portion thereof. The Supplemental Indenture provides that other than Bonds issued to refund all or a portion of the then Outstanding Series 2024A Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2024A Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2024A Trust Estate. In addition, the District covenants in the Supplemental Indenture not to issue any Bonds or other debt obligations secured by Assessments on lands within the District which are also encumbered by the Series 2024A Assessments for any capital project that provides special benefit, as determined by the District, solely to Neighborhood 4 – Assessment Area Two, unless the Series 2024A Assessments have been Substantially Absorbed. "Substantially Absorbed" is defined in the Supplemental Indenture to mean the date on which the principal amount of the Series 2024A Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2024A Bonds is levied on tax parcels within Neighborhood 4 – Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

The provisions set forth above do not apply to (a) any District debt issued for other lawful purposes secured by Assessments on other assessable lands within the District in addition to Neighborhood 4 – Assessment Area Two for any capital project that provides special benefit, as determined by the District, to such assessable lands and Neighborhood 4 – Assessment Area Two, or (b) the imposition of Assessments on property subject to the Series 2024A Assessments which, as determined by the District, are necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2024A Bonds. The Trustee and the District may rely on a certificate from the District Manager regarding the permissibility of any proposed District debt secured by Assessments to be levied on any portion of Neighborhood 4 – Assessment Area Two encumbered by the Series 2024A Assessments, and in the absence of receipt of such certificate, may assume that the District may not issue debt on the same lands encumbered by the Series 2024A Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS – Additional Obligations" herein.

There follows in this Limited Offering Memorandum a brief description of the District and the Development, together with summaries of the terms of the Series 2024A 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 statutes and all references to the Series 2024A Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture, which appears in composite APPENDIX C attached hereto.

## **SUITABILITY FOR INVESTMENT**

Investment in the Series 2024A Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the District or FMSbonds, Inc. (the "Underwriter") to give any information or make any representations, other than those contained in this Limited Offering Memorandum. The Series 2024A Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), and, as required by Chapter 189, Florida Statutes, the Underwriter will offer the Series 2024A Bonds only to "accredited investors," as such term is utilized in Chapter 517, Florida Statutes, and the rules promulgated thereunder. However, the limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024A Bonds. Prospective investors in the Series 2024A Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2024A Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

## **DESCRIPTION OF THE SERIES 2024A BONDS**

### **General**

The Series 2024A Bonds are issuable as fully registered bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner does not purchase at least \$100,000 of the Series 2024A Bonds at the time of initial delivery of the Series 2024A Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2024A Bonds an investor letter substantially in the form attached as an exhibit to the Supplemental Indenture 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. The Series 2024A Bonds will initially be sold only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules promulgated thereunder by the Florida Department of Financial Services. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024A Bonds.

The Series 2024A Bonds will be dated their date of issuance and delivery to the initial purchasers thereof and will bear interest payable on each May 1 and November 1, commencing May 1, 2025 (each, an "Interest Payment Date"), which shall be computed on the basis of a 360-day year of twelve 30-day months. The Series 2024A Bonds will mature on May 1 of such years, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on the Series 2024A Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Each Series 2024A 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 (a) is an Interest Payment Date to which interest on such Series 2024A Bond has been paid, in which event such Series 2024A Bond shall bear interest from its date of authentication, or (b) is prior to the first Interest

Payment Date for the Series 2024A Bonds, in which event such Series 2024A Bond shall bear interest from its date.

Debt Service on the Series 2024A Bonds will 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. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the registered Owner at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15<sup>th</sup>) day of the calendar month 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 (i) of Section 902 of the Master Indenture, 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 Registrar as the registered Owner of a Series 2024A Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation thereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Orlando, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Series 2024A Bonds are held in the book-entry system in which case presentation shall not be required. 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 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 owns not less than \$1,000,000 in aggregate principal amount of the Series 2024A Bonds).

The Series 2024A Bonds will initially be registered in the name of Cede & Co. as Nominee for The Depository Trust Company ("DTC"), which will act initially as securities depository for the Series 2024A Bonds and, so long as the Series 2024A Bonds are held in book-entry only form, Cede & Co. will be considered the registered Owner for all purposes hereof. See "- Book-Entry Only System" below for more information about DTC and its book-entry system.

## **Redemption Provisions**

*Optional Redemption.* The Series 2024A 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\_\_, at the Redemption Price of the principal amount of the Series 2024A Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

*Mandatory Sinking Fund Redemption.* The Series 2024A Bond maturing May 1, 20\_\_, is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

---

\* Final maturity

The Series 2024A Bond maturing May 1, 20\_\_, is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

---

\* Final maturity

The Series 2024A Bond maturing May 1, 20\_\_, is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

---

\* Final maturity

As more particularly set forth in the Indenture, any Series 2024A Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2024A Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2024A Bonds other than from scheduled Amortization

Installments so as to reamortize the remaining Outstanding principal balance of the Series 2024A Bonds as set forth in the Supplemental Indenture.

*Extraordinary Mandatory Redemption.* The Series 2024A Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Neighborhood 4 – Assessment Area Two Project, by application of moneys transferred from the Series 2024A Acquisition and Construction Account to the Series 2024A Prepayment Subaccount as provided for in the Indenture; or

(b) from amounts transferred from the Series 2024A Restricted Acquisition and Construction Account to the Series 2024A Prepayment Subaccount as provided for in the Indenture; or

(c) from amounts, including Series 2024A Prepayments, required by the Indenture to be deposited into the Series 2024A Prepayment Subaccount; or

(d) from amounts transferred from the Series 2024A Reserve Account to the Series 2024A Prepayment Subaccount resulting from a reduction in the Series 2024A Reserve Account Requirement as provided for in the Indenture; or

(e) on the date on which the amount on deposit in the Series 2024A Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2024A Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2024A Bonds shall be called for redemption, the particular Series 2024A Bonds or portions of Series 2024A Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

### **Notice of Redemption**

Notice of each redemption of Series 2024A 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 date of redemption to each registered Owner of Series 2024A 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 Series 2024A Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2024A Bonds or such portions thereof on such date, interest on such Series 2024A Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024A Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2024A 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.

Pursuant to the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

### **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 MAKES ANY REPRESENTATION OR WARRANTY OR TAKES ANY RESPONSIBILITY FOR THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

DTC will act as securities depository for the Series 2024A Bonds. The Series 2024A Bonds will be issued as fully-registered bonds 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 bond certificate will be issued for each maturity of the Series 2024A Bonds 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 (the "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 (the "Indirect Participants"). DTC has a Standard and Poor's rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission (the "SEC"). More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).



Purchases of the Series 2024A Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2024A Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024A Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2024A Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of the Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024A Bonds, except in the event that use of the book-entry system for the Series 2024A Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024A 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 Series 2024A Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024A Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024A Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping an 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 made among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Redemption notices shall be sent to DTC. If less than all of the Series 2024A Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2024A Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2024A 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 Series 2024A Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and dividend payments on the Series 2024A 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 Bond Registrar on the 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, the Bond Registrar 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 dividend 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 for the Series 2024A Bonds. 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 the Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2024A Bonds at any time by giving reasonable notice to the District. Under such circumstances, in the event that a successor securities depository is not obtained, Series 2024A 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, Series 2024A Bond certificates will be printed and delivered to DTC.

NEITHER THE DISTRICT NOR THE TRUSTEE WILL HAVE ANY RESPONSIBILITY OR OBLIGATION TO THE DIRECT PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DIRECT PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2024A BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DIRECT PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2024A BONDS PAID TO DTC OR ITS NOMINEE, AS THE REGISTERED OWNER, OR PROVIDE ANY NOTICES TO THE BENEFICIAL OWNERS OR THAT THEY WILL DO SO ON A TIMELY BASIS, OR THAT DTC WILL ACT IN THE MANNER DESCRIBED IN THIS LIMITED OFFERING MEMORANDUM.

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS**

### **General**

The Series 2024A Bonds are payable from and secured by the revenues derived by the District from the Series 2024A Assessments and amounts in the Funds and Accounts (except for the Series 2024A Rebate Account) established by the Indenture. Series 2024A Assessments will be levied and collected on the lands within Neighborhood 4 – Assessment Area Two that receive a special benefit from the Neighborhood 4 – Assessment Area Two Project, and shall not include Assessments imposed, levied and collected by the District with respect to property within the District not so specially benefited. The Series 2024A Assessments represent an allocation of the costs of the Neighborhood 4 – Assessment Area Two Project, including bond financing costs, to such benefited land within Neighborhood 4 – Assessment Area Two in accordance with the Assessment Report, attached hereto as composite APPENDIX B.

NEITHER THE SERIES 2024A 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. THE SERIES 2024A 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 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 SERIES 2024A BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2024A BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024A PLEDGED REVENUES AND THE SERIES 2024A PLEDGED FUNDS PLEDGED TO THE SERIES 2024A BONDS, ALL AS PROVIDED IN THE SERIES 2024A BONDS AND IN THE INDENTURE.

### **Additional Obligations**

The Supplemental Indenture provides that other than Bonds issued to refund all or a portion of the then Outstanding Series 2024A Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2024A Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2024A Trust Estate. In addition, the District covenants in the Supplemental Indenture not to issue any Bonds or other debt obligations secured by Assessments on lands within the District which are also encumbered by the Series 2024A Assessments for any capital project that provides special benefit, as determined by the District, solely to Neighborhood 4 – Assessment Area Two, unless the Series 2024A Assessments have been Substantially Absorbed. "Substantially Absorbed" is defined in the Supplemental Indenture to mean the date on which the principal amount of the Series 2024A Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2024A Bonds is levied on tax parcels within Neighborhood 4 – Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

The provisions set forth above do not apply to (a) any District debt issued for other lawful purposes secured by Assessments on other assessable lands within the District in addition to Neighborhood 4 – Assessment Area Two for any capital project that provides special benefit, as determined by the District, to such assessable lands and Neighborhood 4 – Assessment Area Two, or (b) the imposition of Assessments on property subject to the Series 2024A Assessments which, as determined by the District, are necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2024A Bonds. The Trustee and the District may rely on a certificate from the District Manager regarding the permissibility of any proposed District debt secured by Assessments to be levied on any portion of Neighborhood 4 – Assessment Area Two encumbered by the Series 2024A Assessments, and in the absence of receipt of such

certificate, may assume that the District may not issue debt on the same lands encumbered by the Series 2024A Assessments.

WHILE NO FUTURE ADDITIONAL BONDS WILL BE PAYABLE FROM OR SECURED BY THE SERIES 2024A ASSESSMENTS PLEDGED AS SECURITY FOR THE SERIES 2024A BONDS, THE DISTRICT, THE COUNTY, THE SCHOOL BOARD OF PASCO COUNTY, FLORIDA, THE STATE OR ANY POLITICAL SUBDIVISION THEREOF MAY IN THE FUTURE IMPOSE, LEVY AND COLLECT ASSESSMENTS AND TAXES THE LIENS OF WHICH WILL BE CO-EQUAL WITH THE LIEN OF ASSESSMENTS, INCLUDING THE SERIES 2024A ASSESSMENTS SECURING THE SERIES 2024A BONDS. See "- Enforcement and Collection of Series 2024A Assessments" below.

### **Funds and Accounts**

The Supplemental Indenture requires that the Trustee establish the following Accounts: (a) within the Acquisition and Construction Fund, a Series 2024A Acquisition and Construction Account, a Series 2024A Restricted Acquisition and Construction Account, and a Series 2024A Costs of Issuance Account; (b) within the Debt Service Fund, a Series 2024A Sinking Fund Account, a Series 2024A Interest Account, a Series 2024A Capitalized Interest Account, and a Series 2024A Redemption Account (and therein a Series 2024A Prepayment Subaccount and a Series 2024A Optional Redemption Subaccount); (c) within the Reserve Fund, a Series 2024A Reserve Account, which shall be held for the benefit of all of the Series 2024A Bonds, without distinction as to Series 2024A Bonds and without privilege or priority of one Series 2024A Bond over another; (d) within the Revenue Fund, a Series 2024A Revenue Account; and (e) within the Rebate Fund, a Series 2024A Rebate Account.

### **Series 2024A Reserve Account**

The Series 2024A Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2024A Reserve Account Requirement. "Series 2024A Reserve Account Requirement" is defined in the Supplemental Indenture to mean an amount equal to the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #1 are met, at which time and thereafter, Series 2024A Reserve Account Requirement shall mean an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2024A Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2024A Bonds, the Series 2024A Reserve Account Requirement shall be \$\_\_\_\_\_.

"Reserve Account Release Conditions #1" is defined in the Supplemental Indenture to mean, collectively, that (a) all lots subject to Series 2024A Assessments have been developed and platted, (b) all lots subject to Series 2024A Assessments have been sold and closed by the Developer to home builders, and (c) there are no Events of Default occurring

or continuing under the Indenture with respect to the Series 2024A Bonds. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event in clause (a) has occurred and the District Manager shall provide a written certification to the District and the Trustee certifying that the event in clause (b) has occurred and affirming clause (c), on which certifications the Trustee may conclusively rely.

"Reserve Account Release Conditions #2" is defined in the Supplemental Indenture to mean, collectively, that (a) all of the Reserve Account Release Conditions #1 have been satisfied, (b) all homes within Neighborhood 4 – Assessment Area Two have been built and have received a certificate of occupancy, (c) all of the principal portion of the Series 2024A Assessments has been assigned to such homes, (d) all Series 2024A Assessments are being collected pursuant to the Uniform Method, and (e) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2024A Bonds. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) through (d) have occurred and affirming clause (e), on which certifications the Trustee may conclusively rely.

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2024A Reserve Account shall be used only for the purpose of making payments into the Series 2024A Interest Account and the Series 2024A Sinking Fund Account to pay Debt Service on the Series 2024A Bonds, when due, without distinction as to Series 2024A Bonds and without privilege or priority of one Series 2024A Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2024A Reserve Account shall consist only of cash and Series 2024A Investment Obligations.

Anything in the Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee is authorized and directed to recalculate the Series 2024A Reserve Account Requirement. Following such recalculation, the Trustee shall promptly notify the District of any excess on deposit in the Series 2024A Reserve Account whereupon the District shall direct the Trustee in writing to transfer such excess on deposit in the Series 2024A Reserve Account (a) resulting from Prepayments of Series 2024A Assessments into the Series 2024A Prepayment Subaccount and applied as a credit against the Prepayment otherwise required to be made by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2024A Bonds, (b) resulting from a reduction of the Series 2024A Reserve Account Requirement as the result of either the Reserve Account Release Conditions #1 or the Reserve Account Release Conditions #2 being met into the Series 2024A Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in Section 408(f) of the Supplemental Indenture.

On the earliest date on which there is on deposit in the Series 2024A Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2024A Bonds, together with accrued interest and redemption premium, if any, on such Series 2024A Bonds to the earliest Redemption Date permitted therein and in the Supplemental Indenture, then the Trustee shall transfer the amount on deposit in the Series 2024A Reserve Account into the Series 2024A Prepayment

Subaccount to pay and redeem all of the Outstanding Series 2024A Bonds on the earliest Redemption Date permitted for redemption therein and in the Supplemental Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2024A Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

### **Series 2024A Revenue Account**

(a) Pursuant to the Supplemental Indenture, the Trustee is authorized and directed to deposit any and all amounts required to be deposited in the Series 2024A Revenue Account by Section 408 of the Supplemental Indenture or by any other provision of the Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2024A 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.

(b) The Trustee shall deposit into the Series 2024A Revenue Account (i) Series 2024A Assessment Revenues other than Series 2024A Prepayments (which Series 2024A Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2024A Prepayment Subaccount), (ii) Series 2024A Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2024A Revenue Account.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2024A Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2024A Revenue Account for deposit into the Series 2024A Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2024A Revenue Account to pay Debt Service coming due on the Series 2024A Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024A Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024A Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2024A Bonds set forth in the form of Series 2024A Bonds attached to the Supplemental Indenture, Section 301 of the Supplemental Indenture, and Article III of the Master Indenture.

(d) On May 1 and 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), the Trustee shall first transfer from the Series 2024A Capitalized Interest Account to the Series 2024A Interest Account the lesser of (x) the amount of interest coming due on the Series 2024A Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2024A Interest

Account, or (y) the amount remaining in the Series 2024A Capitalized Interest Account. Following the foregoing transfer, on such 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), the Trustee shall then transfer amounts on deposit in the Series 2024A Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

FIRST, to the Series 2024A Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2024A Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2024A Capitalized Interest Account in accordance with Section 408(d) of the Supplemental Indenture and (ii) the amount already on deposit in the Series 2024A Interest Account not previously credited;

SECOND, on May 1, 20\_\_, and on each May 1 thereafter, to the Series 2024A Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2024A Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2024A Sinking Fund Account not previously credited;

THIRD, to the Series 2024A Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2024A Reserve Account Requirement with respect to the Series 2024A Bonds; and

FOURTH, the balance shall first be deposited into the Series 2024A Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2024A Bonds, and then the balance shall be retained in the Series 2024A Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2024A Revenue Account to the Series 2024A Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

## **Investments**

Anything in the Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2024A Bonds shall be invested only in Series 2024A Investment Obligations. Earnings on investments in the Series 2024A Acquisition and Construction Account, the Series 2024A Restricted Acquisition and Construction Account, the Series 2024A Interest Account and the Series 2024A Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2024A Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2024A Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2024A Reserve Account shall be disposed of as follows:

(a) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024A Reserve Account as of the most recent date on which amounts on deposit in the Series 2024A Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2024A Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2024A Reserve Account shall be deposited into the Series 2024A Capitalized Interest Account through May 1, 2025, and thereafter shall be deposited into the Series 2024A Revenue Account and used for the purpose of such Account; or

(b) if there was a deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024A Reserve Account as of the most recent date on which amounts on deposit in the Series 2024A Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2024A Reserve Account and have created such a deficiency, then earnings on investments in the Series 2024A Reserve Account shall be retained in the Series 2024A Reserve Account until the amount on deposit therein is equal to the Series 2024A Reserve Account Requirement, and then earnings on investments in the Series 2024A Reserve Account shall be deposited into the Series 2024A Capitalized Interest Account through May 1, 2025, and thereafter shall be deposited into the Series 2024A Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2024A Reserve Account made pursuant to Section 405 of the Supplemental Indenture.

### **Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account**

Amounts on deposit in the Series 2024A Acquisition and Construction Account shall be applied to pay Costs of the Neighborhood 4 – Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 503(ii) of the Master Indenture and on the form attached to the Supplemental Indenture. The Trustee shall have no duty to verify that any requested disbursement from the Series 2024A Acquisition and Construction Account is for a Cost of the Neighborhood 4 – Assessment Area Two Project. The Consulting Engineer shall establish a Date of Completion for the Neighborhood 4 – Assessment Area Two Project, and any balance remaining in the Series 2024A Acquisition and Construction Account after such Date of Completion (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Neighborhood 4 – Assessment Area Two Project which are required to be reserved in the Series 2024A Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Date of Completion), shall be transferred to the Series 2024A Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024A Bonds in accordance with Section 301 of the Supplemental Indenture and in the manner prescribed in the form of Series 2024A Bond attached to the Supplemental Indenture. Notwithstanding the foregoing, the District shall not establish a Date of Completion until both the Reserve Account Release Conditions #1 and the Reserve Account Release Conditions #2 have been satisfied and



moneys have been transferred from the Series 2024A Reserve Account to the Series 2024A Acquisition and Construction Account as a result of such satisfaction pursuant to Section 405 of the Supplemental Indenture. At such time as there are no amounts on deposit in the Series 2024A Acquisition and Construction Account, such Account shall be closed.

Amounts on deposit in the Series 2024A Restricted Acquisition and Construction Account shall be held therein until the Trustee shall have received from an Authorized Officer a written certificate on or prior to October 1, 2025, on which the Trustee may conclusively rely, stating that the District has received a certificate of the Consulting Engineer certifying that all permits necessary for the development of Phase 5 of Neighborhood 4, as further described herein, have been received. Upon receipt of such certificate on or before October 1, 2025, the Trustee shall transfer the amount on deposit in the Series 2024A Restricted Acquisition and Construction Account to the Series 2024A Acquisition and Construction Account to be used for the purposes of such Account, and the Series 2024A Restricted Acquisition and Construction Account shall be closed. In the event that a certificate described above has not been received by the Trustee by close of business on October 1, 2025, moneys on deposit in the Series 2024A Restricted Acquisition and Construction Account shall be transferred to the Series 2024A Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024A Bonds in accordance with Section 301 of the Supplemental Indenture and in the manner prescribed in the form of Series 2024A Bonds attached to the Supplemental Indenture, whereupon the Series 2024A Restricted Acquisition and Construction Account shall be closed.

**Owner Direction and Consent with Respect to Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account upon Occurrence of Event of Default**

In accordance with the provisions of the Indenture, the Series 2024A Bonds are payable solely from the Series 2024A Pledged Revenues and the Series 2024A Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District acknowledges that (a) the Series 2024A Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024A Acquisition and Construction Account and the Series 2024A Restricted Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2024A Bonds, the Series 2024A Pledged Funds may not be used by the District (whether to pay Costs of the Neighborhood 4 – Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Neighborhood 4 – Assessment Area Two Project and payment is for such work, and (c) upon the occurrence of an Event of Default with respect to the Series 2024A Bonds, the Series 2024A Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Neighborhood 4 – Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2024A Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

## **Enforcement of Completion Agreement and True-Up Agreement**

Pursuant to the Indenture, the District, either through its own actions or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement and the Completion Agreement (each as hereinafter defined) and, upon the occurrence and continuance of a default under either or both of such Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority Owners, may, subject to the provisions of Section 912 of the Master Indenture, act on behalf of and in the District's stead to enforce the provisions of such Agreements and to pursue all available remedies under applicable law or in equity. Anything in the Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement and the Completion Agreement upon demand of the Majority Owners, or the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

## **Events of Default and Remedies**

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indenture with respect to the Series 2024A Bonds:

(a) any payment of Debt Service on the Series 2024A 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 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 the Neighborhood 4 – Assessment Area Two 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 covenants, conditions, agreements and provisions contained in the Series 2024A Bonds or in the Indenture on the part of the District to be performed (other than a default in the payment of Debt Service on the Series 2024A Bonds when due, which is an Event of Default under subsection (a) 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 to the District by the Trustee or by the Owners of not less than ten percent (10%) in the aggregate principal amount of the Series 2024A Bonds then Outstanding; or

(h) any portion of the Series 2024A Assessments shall have become Delinquent Assessments and the Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in the Series 2024A Reserve Account to pay Debt Service on the Series 2024A Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series 2024A Reserve Account to pay Debt Service on the Series 2024A Bonds).

The District covenants and agrees in the Indenture that it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by the Majority Owners and allowed pursuant to federal or State law, the District acknowledges and agrees that (a) upon failure of any property owner to pay an installment of Series 2024A Assessments collected directly by the District when due, that the entire Series 2024A Assessment on the tax parcel as to which such Delinquent Assessment appertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and the District shall promptly cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties with respect to such tax parcel, and (b) 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.

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

The provisions of Section 710 of the Supplemental Indenture, as summarized below, 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, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Series 2024A Assessments pledged to the Series 2024A Bonds then 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 acknowledges and agrees in the Indenture that, although the Series 2024A Bonds were issued by the District, the Owners of the Series 2024A 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:

(a) the District agrees that it shall make a reasonable attempt to timely seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2024A Bonds then 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 Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2024A Assessments, the Series 2024A Bonds then Outstanding or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024A Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee and the Majority Owners of a written request for consent);

(b) the District 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 Series 2024A Assessments, the Series 2024A Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(c) the District agrees that it shall make a reasonable attempt to timely seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024A Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee and the Majority Owners of a written request for consent);

(d) 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 Series 2024A Assessments, 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 Series 2024A Assessments, 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

(e) the District shall not challenge the validity or amount of any claim submitted in good faith by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding which is adverse to the Trustee's enforcement of the

District's claim and rights with respect to the Series 2024A Assessments 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 to (i) file a proof of claim with respect to the Series 2024A Assessments, (ii) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) defend any objection filed to said proof of claim.

The District acknowledges and agrees in the Indenture that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

Nothing in Section 710 of the Supplemental 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 a claim for Operation and Maintenance Assessments in such manner as it shall deem appropriate in its sole and absolute discretion; provided, however, that such claim shall not seek to reduce the amount or receipt of Series 2024A Assessments. 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 Series 2024A Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (d) above.

### **Enforcement and Collection of Series 2024A Assessments**

The primary source of payment for the Series 2024A Bonds is the Series 2024A Assessments imposed on lands within Neighborhood 4 – Assessment Area Two which are specially benefited by the Neighborhood 4 – Assessment Area Two Project. To the extent that landowners fail to pay such Series 2024A Assessments, delay payments, or are unable to pay such Series 2024A Assessments, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2024A Bonds. The Act provides for various methods of collection of delinquent special assessments by reference to other provisions of the Florida Statutes. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein for a summary of special assessment payment and collection procedures appearing in the Florida Statutes.

Pursuant to the Indenture, when permitted by law, Series 2024A Assessments levied on platted lots no longer owned by the Developer and pledged to secure the Series 2024A Bonds shall be collected pursuant to the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended (the "Uniform Method"), and Series 2024A Assessments levied on unplatted lands and platted lots owned by the Developer and pledged to secure the Series 2024A Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default. Series 2024A Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date; provided, however, that such Series 2024A Assessments shall not be

deemed Delinquent Assessments unless and until such Series 2024A Assessments are not paid by the applicable Interest Payment Date with respect to which they have been billed.

If the owner of any lot or parcel of land shall be delinquent in the payment of any Series 2024A Assessment, then such Series 2024A Assessment shall be enforced in accordance with Chapter 190.021(4), Florida Statutes, or collected pursuant to the provisions of Chapters 170 and 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable, then upon the delinquency of any Series 2024A Assessment, the District may, but is not obligated to, declare the entire unpaid balance of such Series 2024A 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 170.10, Florida Statutes, or otherwise as provided by law. The District further covenants in the Indenture to furnish, at its expense, to any Owner of Series 2024A Bonds 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.

If any tax certificates relating to Delinquent Assessments which are pledged to the Series 2024A Bonds are sold by the Tax Collector (hereinafter defined) 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 one (1) Business Day following receipt of such proceeds by the District and shall be deposited by the Trustee to the credit of the Series 2024A Revenue Account.

If any property shall be offered for sale for the nonpayment of any Series 2024A Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2024A Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2024A 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 or in the name of a special purpose entity, title to the property for the benefit of the Owners of the Series 2024A Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2024A Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, 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 benefit of the Owners of the Series 2024A Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction

from the Majority Owners, pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

THERE CAN BE NO ASSURANCE THAT ANY SALE, PARTICULARLY A BULK SALE, OF LAND SUBJECT TO DELINQUENT ASSESSMENTS WILL PRODUCE PROCEEDS SUFFICIENT TO PAY THE FULL AMOUNT OF SUCH DELINQUENT ASSESSMENTS PLUS OTHER DELINQUENT TAXES AND ASSESSMENTS APPLICABLE THERETO.

### **Additional Covenants Regarding Assessments**

The District covenants in the Indenture to comply with the terms of the Assessment Proceedings heretofore adopted with respect to the Series 2024A Assessments, including the Assessment Report, and to levy the Series 2024A Assessments and collect any required true-up payments set forth in the Assessment Report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2024A Bonds, when due.

### **Re-Assessment**

Pursuant to the Master Indenture, if any Series 2024A Assessment 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 Series 2024A Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Series 2024A Assessment when it might have done so, the District shall either (a) take all necessary steps to cause a new Series 2024A Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement, or (b) in its sole discretion, make up the amount of such Series 2024A Assessment from legally available moneys, which moneys shall be deposited into the Series 2024A Revenue Account. In case any such subsequent Series 2024A Assessment shall also be annulled, the District shall obtain and make other Series 2024A Assessments until a valid Series 2024A Assessment shall be made.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2024A Bonds is the revenues derived by the District from the collection of Series 2024A Assessments imposed on the lands in Neighborhood 4 – Assessment Area Two specially benefited by the Neighborhood 4 – Assessment Area Two Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto.

The imposition, levy, and collection of Series 2024A Assessments must be done in compliance with the provisions of State law. Failure by the District, the Pasco County Tax Collector (the "Tax Collector") or the Pasco County Property Appraiser (the "Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2024A Assessments during any year. Such delays in

the collection of Series 2024A Assessments, or complete inability to collect any Series 2024A Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of Debt Service on the Series 2024A Bonds. See "BONDOWNERS' RISKS" herein. To the extent that landowners fail to pay the Series 2024A 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 Series 2024A Bonds.

For the Series 2024A Assessments to be valid, the Series 2024A Assessments must meet two requirements: (a) the benefit from the Neighborhood 4 – Assessment Area Two Project to the lands subject to the Series 2024A Assessments must exceed or equal the amount of the Series 2024A Assessments; and (b) the Series 2024A Assessments must be fairly and reasonably allocated across all such benefited properties. At closing, the Assessment Consultant (hereinafter defined) will certify that these requirements have been met with respect to the Series 2024A Assessments.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2024A Assessments through a variety of methods. See "BONDOWNERS' RISKS" herein. The Indenture provides that, when permitted by law, Series 2024A Assessments levied on platted lots no longer owned by the Developer and pledged to secure the Series 2024A Bonds shall be collected pursuant to the Uniform Method, and Series 2024A Assessments levied on unplatted lands and platted lots owned by the Developer and pledged to secure the Series 2024A Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto. 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 Chapter 170, Florida Statutes, and the Act, the District may directly levy, collect and enforce the Series 2024A Assessments. In this context, Section 170.10, 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 Series 2024A 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 Series 2024A Assessments and the ability to foreclose the lien of such Series 2024A Assessments upon the failure to pay such Series 2024A 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 Series 2024A Assessments. See "BONDOWNERS' RISKS" herein.

### **Uniform Method Procedure**

Subject to certain conditions, the District may alternatively elect to collect the Series 2024A Assessments using the Uniform Method. The Uniform Method 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 Series 2024A Assessments to be levied and collected in this manner.

If the Uniform Method is used, the Series 2024A 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 Series 2024A Assessments, are to be billed together 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 Series 2024A 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 Series 2024A Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item would cause the Series 2024A 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 Debt Service on the Series 2024A Bonds.

Under the Uniform Method, if the Series 2024A Assessments are paid during November when due or during the following three (3) months, the taxpayer is granted a variable discount equal to four percent (4%) in November and decreasing one percentage point per month to one percent (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 Series 2024A Bonds that (a) the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2024A Assessments, (b) future landowners and taxpayers in the District will pay such Series 2024A Assessments, (c) 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 (d) 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 Series 2024A Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2024A 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 Series 2024A Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than eighteen percent (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 eighteen percent (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 eighteen percent (18%) per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2024A Assessments), interest, costs and charges on the real property described in the certificate.

Any tax certificate in the hands of a person other than the County may be redeemed and canceled, in whole or in part (under certain circumstances), at any time before a tax deed is issued (unless full payment for a tax deed is made to the clerk of court, including documentary stamps and recording fees), 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 five percent (5%), unless the rate borne by the certificates is zero percent (0%). The proceeds of such 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 affected 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 (7) 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 (2) years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven (7) years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two (2) years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

In any such public sale conducted by the Clerk of the Circuit Court, the private holder of the tax certificate who is seeking a tax deed for non-homestead property is deemed to submit a minimum bid equal to the amount required to redeem the tax certificate, charges for the cost of sale, including costs incurred for the service of notice required by statute, redemption of other tax certificates on the land, and all other costs to the applicant for the tax deed, plus interest thereon. In the case of homestead property, the minimum bid is also deemed to include, in addition to the amount of money required for the minimum bid on non-homestead property, an amount equal to one-half of the latest assessed value of the homestead. If there are no higher bids, the holder receives title to the land, and the amounts paid for the certificate and in applying for a tax deed are credited toward the purchase price. The holder is also responsible for payment of any amounts included in the bid not already paid, including but not limited to, documentary stamp tax, recording fees, and, if property is homestead property, the moneys to cover the one-half value of the homestead. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, together with all subsequent unpaid taxes plus the costs and expenses of the application for deed, with interest on the total of such sums, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholder of record, mortgagees of record, vendees of recorded contracts for deeds, and other lienholders and any other person to whom the land was last assessed on the tax roll for the year in which the land was assessed, all as their interest may appear. If the property is purchased for an amount in excess of the statutory bid of the certificate holder, but such excess is not sufficient to pay all governmental liens of record, the excess shall be paid to each governmental unit pro rata.

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 clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the governing board of the County that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three (3) years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, 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 Series 2024A 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 Series 2024A Assessments, which are the primary source of payment of the Series 2024A 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" herein.

## **THE DISTRICT**

### **General**

The District is a local unit of special purpose government duly organized and existing under the provisions of the Act and established by the Ordinance. The boundaries of the District include approximately 562.562 acres of land located entirely within an unincorporated area of the County.

### **Legal Powers and Authority**

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. 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.

The Act provides that community development districts have the power to issue general obligation, revenue and special assessment revenue debt obligations in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power under certain conditions to levy and assess ad valorem taxes or non-ad valorem assessments, including the Series 2024A Assessments, on all taxable real property within

their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to: (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems and facilities for: (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 re-use systems or any combination thereof, and to construct and operate connecting intercepting 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 applicable specifications of the county in which such district roads are located; roads and improvements to existing roads that are owned by or conveyed to the local general-purpose government, the State, or the federal government; street lights; alleys; landscaping; hardscaping; undergrounding of electric utility lines; buses, trolleys, transit shelters, ridesharing facilities and services, parking improvements, and related signage; (iv) conservation areas, mitigation areas, and wildlife habitat, including the maintenance of any plant or animal species, and any related interest in real or personal property; (v) any other project, facility or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District; and (vi) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses; and security, including, but not limited to, guardhouses, fences and gates, and electronic intrusion-detection systems; (b) borrow money and issue bonds of the District; (c) levy, collect and enforce special assessments; (d) impose and foreclose special assessment liens as provided in the Act; and (e) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances and the Act does not empower the District to grant building permits. These functions are collectively performed by the County and its departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any Owner of Bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with such Bonds, including the Series 2024A Bonds.

## **Board of Supervisors**

The Act provides for a five-member Board of Supervisors (as previously defined, the "Board") to serve as the governing body of the District. Members of the Board must be residents of the State and citizens of the United States. Pursuant to the Act, six (6) years after establishment and after 250 qualified electors reside within the District, the seats of Board members whose terms expire are filled by votes of the qualified electors of the District, except as described below. A qualified elector is a registered voter who is a resident

of the District and the State and a citizen of the United States. At the election where Board members are first elected by qualified electors, two Board members must be qualified electors and be elected by qualified electors, both to four-year terms. A third Board member is elected through an election of the landowners of the District. Thereafter, as terms expire, all Board members must be qualified electors elected by qualified electors and are elected to serve four-year terms with staggered expiration dates in the manner set forth in the Act.

All current members of the Board are qualified electors elected by qualified electors. The current members of the Board and their respective term expiration dates are set forth below.

<u>Name</u>	<u>Title</u>	<u>Expiration of Term</u>
Robert Hideck	Chairman	November 2024
Elizabeth Blair	Vice-Chairman	November 2024
Veronica Johnson	Assistant Secretary	November 2026
Lindsay Moore	Assistant Secretary	November 2026
Karl Mager	Assistant Secretary	November 2024

The Act empowers the Board to adopt administrative rules and regulations with respect to any projects of the District, and to enforce penalties for the violation of such rules and regulations. The Act permits the Board to levy taxes under certain conditions, and to levy special assessments, and to charge, collect and enforce fees and user charges for use of District facilities.

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

The Act authorizes the Board to hire a District Manager as the chief administrative official of the District. The Act provides that the District Manager shall have charge and supervision of the works of the District and shall be responsible for (a) preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, (b) maintaining and operating the equipment owned by the District, and (c) performing such other duties as may be prescribed by the Board.

Inframark, LLC, has been retained as the firm to provide district management services for the District (in such capacity, the "District Manager"). The District Manager's office is located at 2654 Cypress Ridge Boulevard, Suite 101, Wesley Chapel, Florida 33544 and their phone number is (813) 608-8242.

The District Manager's typical responsibilities can briefly be summarized as directly overseeing and coordinating the District's planning, financing, purchasing, staffing, and reporting and acting as governmental liaison for the District. The District Manager's responsibilities also include requisitioning moneys to pay construction contracts and the related accounting and reporting that is required by the Indenture.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, as Bond Counsel and Disclosure Counsel; Straley Robin Vericker P.A., Tampa, Florida, as District Counsel; BGE, Inc., Tampa, Florida, as Consulting Engineer; and Inframark, LLC, Wesley Chapel, Florida, as Assessment Consultant.

## **Outstanding Indebtedness and Prior Bond Defaults**

In May 1999, the District issued its \$4,715,000 Special Assessment Revenue Bonds, Series 1999A (the "Series 1999A Bonds") and its \$4,565,000 Special Assessment Revenue Bonds, Series 1999B (the "Series 1999B Bonds" and, together with the Series 1999A Bonds, the "Series 1999 Bonds") in order to finance certain master public infrastructure improvements benefiting all lands within the District, and certain subdivision infrastructure improvements benefiting Neighborhoods 1 and 2. Such improvements included the design, engineering and construction of roads, streetlights, water management control, sewer and wastewater management, water supply, security, clubhouse, recreational facilities and electrical power. The Series 1999A Bonds were refunded in full with net proceeds of the Series 2005 Bonds and Series 2006 Bonds (each hereinafter defined). Due to the failure of the landowner at the time to pay the assessments securing the Series 1999B Bonds, the Series 1999B Bonds went into default in 2009. The Series 1999B Bonds were subsequently cancelled in 2010 pursuant to an Agreement between the District and such landowner dated June 23, 2010 (the "Settlement Agreement").

In October 2001, the District issued its \$2,045,000 Special Assessment Revenue Bonds, Series 2001 (the "Series 2001 Bonds") in order to finance certain master infrastructure improvements benefiting all lands within the District and the remaining subdivision infrastructure improvements benefiting Neighborhoods 1 and 2. Similar to the Series 1999B Bonds, due to the failure of the landowner at the time to pay the assessments securing the Series 2001 Bonds, the Series 2001 Bonds went into default in 2009. The Series 2001 Bonds were subsequently cancelled in 2010 pursuant to the Settlement Agreement.

In October 2005, the District issued its \$6,270,000 Special Assessment Refunding Revenue Bonds, Series 2005 (the "Series 2005 Bonds") in order to refund that portion of the Series 1999A Bonds allocable to Neighborhoods 3 and 4 of the Development and fund additional infrastructure improvements for Neighborhoods 3 and 4. The Series 2005 Bonds are currently Outstanding in the principal amount of \$2,315,000 and are secured by non-ad valorem special assessments levied on Neighborhoods 3 and 4 (the "Series 2005 Assessments").

In May 2006, the District issued its \$4,350,000 Special Assessment Refunding Revenue Bonds, Series 2006 (the "Series 2006 Bonds") in order to refund the remaining Outstanding Series 1999A Bonds allocable to Neighborhoods 1 and 2 of the Development and fund additional infrastructure improvements for Neighborhoods 1 and 2. Due to the failure of the landowner at the time to pay the assessments securing the Series 2006 Bonds, the Series 2006 Bonds went into default in 2012. Following a foreclosure action and bond cancellation, the Series 2006 Bonds are current as of March 25, 2021. The Series 2006 Bonds are currently Outstanding in the principal amount of \$1,255,000 and are secured by non-ad valorem special assessments levied on Neighborhoods 1 and 2.

In January 2024, the District issued its \$7,000,000 Capital Improvement Revenue Bonds, Series 2024 (Neighborhood 4 – Assessment Area One) (the "Series 2024 Bonds"), which are currently Outstanding in the principal amount of \$7,000,000. The Series 2024 Bonds are secured by non-ad valorem special assessments levied on Phases 1 and 2 of Neighborhood 4 anticipated to include 206 townhome and single-family residential units

("Neighborhood 4 – Assessment Area One"). The Series 2024 Bonds do not have a lien on the Series 2024A Trust Estate and are not secured by Assessments levied on the same lands as Series 2024A Assessments. See "THE DEVELOPMENT – Update on Neighborhood 4 – Assessment Area One" herein for the current development status of Neighborhood 4 – Assessment Area One.

As further described herein, the Series 2024A Assessments will initially be levied on the lands within Neighborhood 4 – Assessment Area Two that are also subject to the Series 2005 Assessments. It is anticipated that the Developer will prepay the Series 2005 Assessments and a portion of the Series 2024A Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders (hereinafter defined). See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" herein.

### **THE NEIGHBORHOOD 4 – ASSESSMENT AREA TWO PROJECT**

Johnson Engineering, Inc. prepared the Master Engineer's Report for Neighborhood 4 dated October 10, 2023 (the "Master Engineer's Report"), which sets forth the anticipated costs of certain public infrastructure improvements benefiting Neighborhood 4 of the Development (the "Neighborhood 4 CIP"), which is anticipated to cost approximately \$21 million. In addition, BGE, Inc. (the "Consulting Engineer") prepared the Supplemental Engineer's Report Neighborhood 4 – Assessment Area Two dated September 10, 2024 (the "Supplemental Engineer's Report" and, together with the Master Engineer's Report, the "Engineer's Report"), which sets forth the anticipated costs of the portion of the Neighborhood 4 CIP benefiting Phases 3, 4 and 5 within Neighborhood 4 (the "Neighborhood 4 – Assessment Area Two Project"). The Engineer's Report is attached hereto as composite APPENDIX A.

The District encompasses approximately 562.562 acres of land and at buildout is anticipated to contain 1,079 residential units and two (2) commercial/apartment buildings each containing various commercial uses and sixteen (16) apartment units. Land development associated with the District Lands has occurred in phases. Neighborhoods 1, 2, 3, and 5 (collectively, the "Developed Neighborhoods") are complete. All 684 residential units within the Developed Neighborhoods have been constructed and closed with end users and one (1) of the two (2) commercial/apartment buildings is complete. Neighborhood 4 is planned for the remaining 395 residential units within the District and land development for Phases 1 and 2 within Neighborhood 4 commenced in December 2023.

Land development within Neighborhood 4 will occur in phases. Two assessment areas have been created in order to facilitate the District's financing plans. Phases 1 and 2 within Neighborhood 4, consisting of 61.52 acres of land, are planned to contain 118 townhome residential units and eighty-eight (88) single-family residential units (as previously defined, "Neighborhood 4 – Assessment Area One"). Phases 3, 4, and 5 within Neighborhood 4, consisting of 63.94 acres of land, are planned to contain 189 single-family residential units (as previously defined, "Neighborhood 4 – Assessment Area Two").

As further described in the Supplemental Engineer's Report, the Consulting Engineer estimates the total cost of the Neighborhood 4 – Assessment Area Two Project to be \$13,329,703, as enumerated in the chart below.



<b>Infrastructure</b>	<b>Master Improvements</b>	<b>Subdivision Improvements</b>	<b>Total</b>
Engineering Design, Permitting, Surveying	\$31,100	\$ 448,140	\$ 479,240
Storm Water Management	46,950	5,994,625	6,041,575
Roads	492,607	1,881,180	2,373,787
Potable Water	--	835,562	835,562
Sanitary Sewer	--	1,611,361	1,611,361
Reclaimed Water	--	684,205	684,205
Dry Utilities Trenching	--	210,168	210,168
Park Areas	--	145,000	145,000
Landscaping/Irrigation/Hardscape	--	430,000	430,000
Permit and Other Fees	--	518,805	518,805
<b>Total</b>	<b>\$570,657</b>	<b>\$12,759,046</b>	<b>\$13,329,703</b>

The Series 2024A Bonds are being issued in order to finance a portion of the costs of the Neighborhood 4 – Assessment Area Two Project. The Series 2024A Bonds will be secured by the Series 2024A Assessments which will initially be levied on the approximately 63.94 gross acres planned for 189 lots which comprise Neighborhood 4 – Assessment Area Two. As lots are platted, the Series 2024A Assessments will be assigned to the 189 lots planned for Neighborhood 4 – Assessment Area Two on a first platted, first assigned basis as set forth in the Assessment Report attached hereto as composite APPENDIX B.

It is expected that the total land development costs for Neighborhood 4 – Assessment Area Two will be approximately \$13.3 million. Land development within Phase 3 in Neighborhood 4 – Assessment Area Two commenced in July 2024, land development within Phase 4 in Neighborhood 4 – Assessment Area Two commenced in August 2024 and land development within Phase 5 in Neighborhood 4 – Assessment Area Two is scheduled to commence in December 2024. As of September 2024, the Developer has spent approximately \$3.5 million in hard and soft costs developing the land in Neighborhood 4 – Assessment Area Two. See "THE DEVELOPMENT – Development Plan and Status" herein.

Net proceeds of the Series 2024A Bonds are expected to fund a portion of the Neighborhood 4 – Assessment Area Two Project in the approximate amount of \$6.9 million\*. On the date of issuance of the Series 2024A Bonds, approximately \$700,000\* of the net proceeds of the Series 2024A Bonds will be deposited into the Series 2024A Restricted Acquisition and Construction Account and such proceeds will not be available for use until all permits required to develop Phase 5 within Neighborhood 4 – Assessment Area Two have been received. All such permits are anticipated to be received by November 2024. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS – Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account" herein. The Developer will enter into the Completion Agreement at closing on the Series 2024A Bonds whereby it will agree to fund the completion of the Neighborhood 4 – Assessment Area Two Project to the extent net proceeds of the Series 2024A Bonds are insufficient therefor. See "BONDOWNERS' RISKS – Completion of Neighborhood 4 – Assessment Area Two Project" herein.

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\* Preliminary, subject to change.

The Consulting Engineer has indicated that all permits and approvals necessary to construct the Neighborhood 4 – Assessment Area Two Project have been obtained or are expected to be obtained in the ordinary course subject to reasonable, normal and customary permit conditions. For additional information regarding the Neighborhood 4 – Assessment Area Two Project, see "APPENDIX A – ENGINEER'S REPORT" attached hereto.

The information in this section with respect to the Engineer's Report is qualified in its entirety by reference to such report which is included herein as composite APPENDIX A, and such report should be read by prospective investors in its entirety.

## **ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS**

Inframark, LLC (in such capacity, the "Assessment Consultant") prepared the Master Assessment Methodology Report for Neighborhood 4 dated October 10, 2023 (the "Master Assessment Report"), that allocates the total benefit derived from the Neighborhood 4 CIP to the benefited lands in Neighborhood 4. In addition, the Assessment Consultant prepared the Second Supplemental Assessment Methodology Report Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 Assessment Area Two) dated September 10, 2024 (the "Supplemental Assessment Report" and, together with the Master Assessment Report, the "Assessment Report"), which allocates the Series 2024A Assessments to the lands within Neighborhood 4 – Assessment Area Two in proportion to the benefit derived from the Neighborhood 4 – Assessment Area Two Project. Once the final terms of the Series 2024A Bonds are determined, the Supplemental Assessment Report will be revised to reflect such final terms. See "APPENDIX B – ASSESSMENT REPORT" attached hereto.

Initially, the Series 2024A Assessments securing the Series 2024A Bonds will be levied on an equal per acre basis on the 63.94 acres constituting Phases 3, 4 and 5 in Neighborhood 4, which are anticipated to be developed into 189 single-family residential units (as previously defined, "Neighborhood 4 – Assessment Area Two"). As properties are developed and platted, the Series 2024A Assessments will be assigned to the developed and platted properties in accordance with the Assessment Report. The table below presents estimated principal and annual amounts of the Series 2024A Assessments that will be levied on the lands within Neighborhood 4 – Assessment Area Two in connection with the Series 2024A Bonds. It should be noted that the lands within Neighborhood 4 are currently subject to the Series 2005 Assessments in the approximate amount of \$607,546 and therefore, upon issuance of the Series 2024A Bonds, the Series 2024A Assessments levied on the lands in Neighborhood 4 – Assessment Area Two will be co-equal with the lien of Series 2005 Assessments on such lands. It is anticipated that the Developer will prepay the Series 2005 Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders. The Series 2005 Bonds are scheduled to mature on May 1, 2030. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" and "THE DEVELOPMENT – Taxes, Fees and Assessments" herein.

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<b>Product Type</b>	<b># of Lots</b>	<b>Series 2005 Principal Per Unit*</b>	<b>Annual Series 2005 Assessments†</b>	<b>Series 2024A Principal Per Unit§</b>	<b>Annual Series 2024A Assessments<sup>‡</sup></b>	<b>Total Principal Per Unit</b>	<b>Total Annual Assessments Per Unit</b>
Single-family 34'	94	\$2,487	\$524	\$33,218	\$2,324	\$35,705	\$2,848
Single-family 50'	59	3,657	771	48,850	3,417	52,508	4,188
Single-family 60'	36	4,389	925	58,620	4,100	63,009	5,025
<b>Total</b>	<b>189</b>						

\* The Series 2005 Bonds are scheduled to mature on May 1, 2030. The Developer anticipates prepaying the Series 2005 Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders.

† The annual Series 2005 Assessment levels shown assume collection via the Uniform Method and will be grossed up to account for early payment discounts and fees of the Property Appraiser and Tax Collector, currently estimated to be 6%.

§ Preliminary, subject to change. Though not required, the Developer anticipates paying down a portion of the Series 2024A Assessments allocated to each lot at the time of closing with the Builders in accordance with the maximum annual assessment levels set in the Builder Contracts (hereinafter defined). See "THE DEVELOPMENT – Builder Contracts" herein. The total expected Series 2024A Bonds principal payoff for all 189 lots within Neighborhood 4 – Assessment Area Two will be approximately \$4,115,000, which amount is subject to change.

<sup>‡</sup> Preliminary, subject to change. The annual Series 2024A Assessment levels shown assume collection via the Uniform Method and will be grossed up to account for early payment discounts and fees of the Property Appraiser and Tax Collector, currently estimated to be 6%. As noted above, the Developer anticipates paying down a portion of the Series 2024A Assessments allocated to each lot at the time of closing with the Builders such that the annual Series 2024A Assessment levels will be \$1,020, \$1,800 and \$2,160 per single-family 34' unit, single-family 50' unit and single-family 60' unit, respectively.

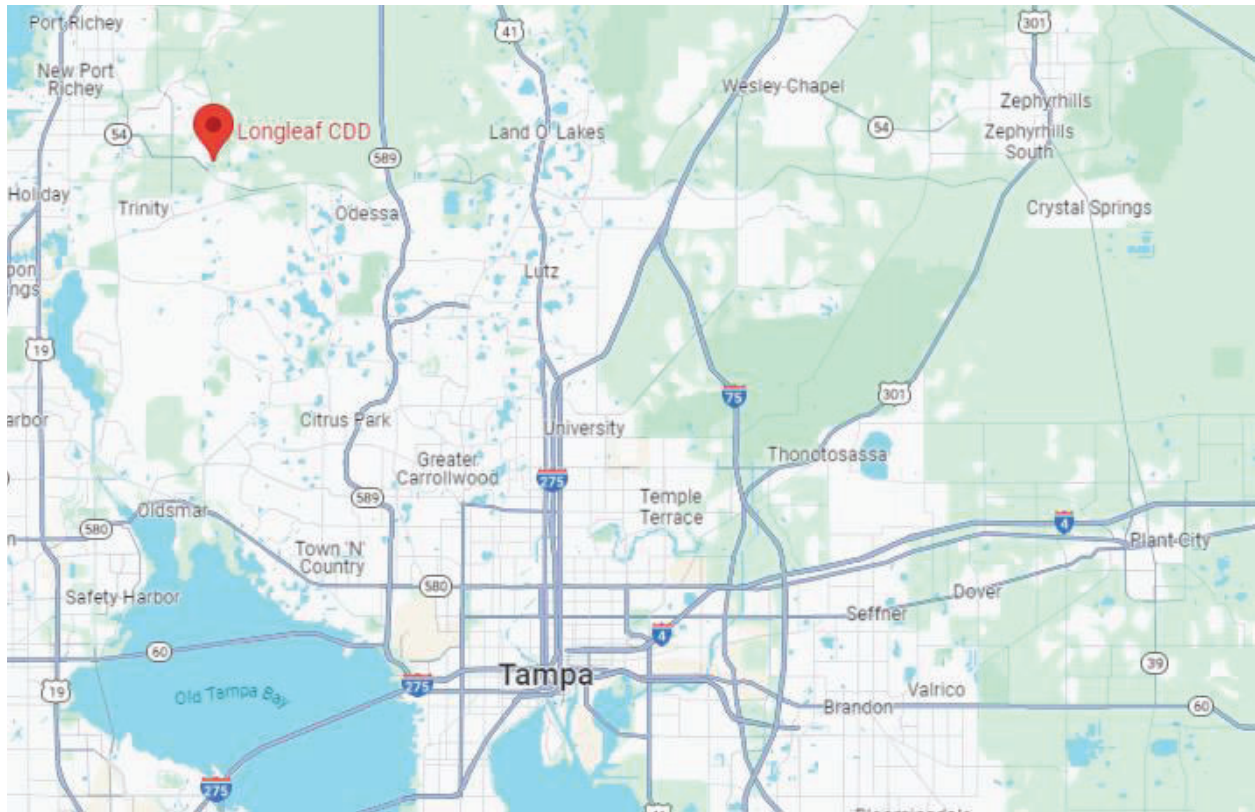
*The following information appearing below under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person other than the Developer makes any representation or warranty as to the accuracy or completeness of such information supplied by it. The following information is provided by the Developer as a means for prospective bondholders to understand the anticipated development plan and risks associated with the development of Neighborhood 4. The Developer is not guaranteeing payment of the Series 2024A Bonds or the Series 2024A Assessments.*

## THE DEVELOPMENT

### General

The District encompasses approximately 562.562 gross acres of land and contains the residential community known as "Longleaf" (the "Development"). The Development is a master planned mixed-use development located within an unincorporated area of the southwest portion of Pasco County. The Development's main entrance is located at the intersection of State Road 54 and Starkey Boulevard. The State Road 54 entrance to the Development is located approximately six (6) miles west of the Suncoast Parkway, which provides highway access to Tampa International Airport, the Westshore employment market, and downtown Tampa via the Veteran's Expressway. The map below shows the general location of the Development.

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The Development is planned to contain five (5) neighborhoods consisting of 1,079 residential units and two (2) commercial/apartment buildings each containing various commercial uses and sixteen (16) apartment units. Neighborhoods 1, 2, 3, and 5 (as previously defined, the "Developed Neighborhoods") contain 684 residential units, all of which have been sold and closed with end users, as well as 3.3 acres of land planned to include two (2) commercial/apartment buildings, one (1) of which is complete and the other of which has been developed and platted with infrastructure in place to serve such building but such building has not yet been vertically constructed. Neighborhood 4 consists of 125.5 gross acres of land planned for 395 residential units at buildout.

Land development within Neighborhood 4 will occur in phases. Two assessment areas have been created in order to facilitate the District's financing plans. Phases 1 and 2 within Neighborhood 4, consisting of 61.52 acres of land, are planned to contain 118 townhome residential units and eighty-eight (88) single-family residential units (as previously defined, "Neighborhood 4 – Assessment Area One"). Phases 3, 4, and 5 within Neighborhood 4, consisting of 63.94 acres of land, are planned to contain 189 single-family residential units (as previously defined, "Neighborhood 4 – Assessment Area Two").

As previously noted, the portion of the Neighborhood 4 CIP associated with Neighborhood 4 – Assessment Area One is referred to herein as the "Neighborhood 4 – Assessment Area One Project" and the portion of the Neighborhood 4 CIP associated with Neighborhood 4 – Assessment Area Two is referred to herein as the "Neighborhood 4 – Assessment Area Two Project."

The District previously issued its Series 2024 Bonds in order to finance a portion of the Neighborhood 4 – Assessment Area One Project. See "– Update on Neighborhood 4 – Assessment Area One" below for more information.

The Series 2024A Bonds are being issued in order to finance a portion of the Neighborhood 4 – Assessment Area Two Project. The Series 2024A Bonds will be secured by the Series 2024A Assessments which will initially be levied on the 63.94 acres which comprise Neighborhood 4 – Assessment Area Two. As lots are platted, the Series 2024A Assessments will be assigned to the 189 single-family lots planned for Neighborhood 4 – Assessment Area Two on a first platted, first assigned basis as set forth in the Assessment Report attached hereto.

Hawk Longleaf, LLC, a Delaware limited liability company (as previously defined, the "Developer"), is the owner and developer of all of the undeveloped lands in Neighborhood 4, including the lands within Neighborhood 4 – Assessment Area Two. The Developer has entered into contracts (the "Builder Contracts") with Lennar Homes, LLC, a Florida limited liability company ("Lennar"), DRB Group Florida, LLC, a Delaware limited liability company ("DRB"), and Homes by West Bay, LLC, a Florida limited liability company ("West Bay" and, together with Lennar and DRB, the "Builders"), for the sale of the 395 lots planned for the development of Neighborhood 4 for a total expected consideration of approximately \$35.6 million, of which approximately \$19,216,600 is associated with Neighborhood 4 – Assessment Area Two. See "– Builder Contracts" and "– Participating Builders" below. Home prices in Neighborhood 4 are expected to range from approximately \$365,000 to \$675,000.

### **Update on Neighborhood 4 – Assessment Area One**

The District previously issued its Series 2024 Bonds in order to finance a portion of the costs of the Neighborhood 4 – Assessment Area One Project. Land development within Neighborhood 4 – Assessment Area One commenced in December 2023 and is sixty percent (60%) complete, with final completion expected by January 2025. A plat for the 127 lots constituting Phase 1 within Neighborhood 4 was recorded on August 7, 2024 and a plat for the seventy-nine (79) lots constituting Phase 2 within Neighborhood 4 was recorded on September 4, 2024. The recreational amenities within Neighborhood 4, consisting of a pool, cabana with restrooms, storage room and mail kiosk, tot lot, playground and dog park, are expected to be completed by October 2025.

Lennar, DRB and West Bay are the builders in Neighborhood 4 – Assessment Area One and lot closings with the Builders within Neighborhood 4 – Assessment Area One are anticipated to commence in the fourth quarter of 2024, with homes sales anticipated to commence in the second quarter of 2025. See "– Builder Contracts" below.

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

The land comprising Neighborhood 4 was purchased by the Developer in March 2021 for a total aggregate purchase price of \$3,000,000. There is currently a mortgage and security agreement (the "Mortgage") that encumbers all of the land in Neighborhood 4 owned by the Developer, including Neighborhood 4 – Assessment Area Two, and secures a loan in the principal amount of \$6,383,274 (the "Loan"), which is currently outstanding in

the amount of \$6,383,274, in favor of Fidelity Land, LLC, a Florida limited liability company ("Fidelity"), a wholly owned subsidiary of Lennar Corporation.

The Loan is governed by an Amended and Restated Credit Agreement dated as of February 22, 2021, as amended (the "Credit Agreement"), between Hawk Land Investors New, LLC, a Delaware limited liability company ("Hawk Land"), and Fidelity. The Credit Agreement provides for subsidiaries of Hawk Land, such as the Developer, to request and receive loans, such as the Loan, from Fidelity with respect to different projects and properties owned by various subsidiaries from time to time, subject to the terms of the Credit Agreement. The Loan and any other loans provided under the Credit Agreement are referred to herein collectively as the "Credit Agreement Loans." The Loan bears interest at a fixed rate of twelve percent (12%) per annum, with interest payable quarterly and principal payable on the maturity date of August 31, 2025. Pursuant to the Mortgage and the Credit Agreement, additional requests for draws ("Additional Advances") can be made on the Loan, subject to a maximum expected cap of \$6,383,274 that can be outstanding at any time. Of the \$6,383,274 Loan proceeds that have been advanced, the Developer has utilized approximately \$3,000,000 for land acquisition, approximately \$350,000 for the payment of certain assessment liens in connection with the land acquisition, and approximately \$3,033,274 towards land development within Neighborhood 4, including both Neighborhood 4 – Assessment Area One and Neighborhood 4 – Assessment Area Two, in the Development.

In accordance with the Credit Agreement and the Loan, 100% of the net cash sale proceeds from the sale of each lot within Neighborhood 4 in the Development is required to be applied first to the payment of the Loan before any portion of such net sale proceeds may be distributed to the Developer. In accordance with the Credit Agreement, the Mortgage and the Loan are cross collateralized with any other Credit Agreement Loans made by Fidelity under the Credit Agreement with respect to the Development or any other projects unrelated to the Development, and such Credit Agreement Loans, including the Loan, are subject to cross default as a result of delinquencies and events of default as specified in the Credit Agreement which may or may not be related to the Development. There are currently Credit Agreement Loans outstanding under the Credit Agreement for the following projects: Highland Trails, Leomas Landing, Lake Hideaway, Normandy, Parrish Lakes, Curiosity Creek, and Kissimmee Park.

It is expected that the total land development costs for Neighborhood 4 – Assessment Area Two will be approximately \$13.3 million. As of September 2024, the Developer has spent approximately \$3.5 million in hard and soft costs developing the land in Neighborhood 4 – Assessment Area Two, a portion of which includes the Neighborhood 4 – Assessment Area Two Project.

Land development for Neighborhood 4 – Assessment Area Two will be funded in part with net proceeds of the Series 2024A Bonds in the amount of approximately \$6.9 million\*. The Developer anticipates funding any portion of the Neighborhood 4 – Assessment Area Two Project not funded with net proceeds of the Series 2024A Bonds with the Builder Deposits (hereinafter defined), net land sale proceeds that are otherwise not distributable to Fidelity under the Loan and the Credit Agreement, Additional Advances, and/or

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\* Preliminary, subject to change.

Developer equity. The Developer will enter into the Completion Agreement at closing on the Series 2024A Bonds whereby it will agree to fund the completion of the Neighborhood 4 – Assessment Area Two Project to the extent net proceeds of the Series 2024A Bonds are insufficient therefor. See "BONDOWNERS' RISKS – Completion of Neighborhood 4 – Assessment Area Two Project" herein.

In addition to the Mortgage, there are or will be certain recorded liens in favor of the Builders that have contracts with the Developer for the acquisition of finished lots within Neighborhood 4 – Assessment Area Two, which secure the Builder Deposits. See "– Builder Contracts" and "– Developer Agreements" below and "BONDOWNERS' RISKS – Completion of Neighborhood 4 – Assessment Area Two Project" herein.

**Development Plan and Status**

Two assessment areas have been established for Neighborhood 4. Neighborhood 4 – Assessment Area One is planned to include 206 townhome and single-family residential units and Neighborhood 4 – Assessment Area Two is planned to include 189 single-family residential units, for a total of 395 townhome and single-family residential units in Neighborhood 4. The information in the table below depicts the number of units by product type and assessment area for the lands within Neighborhood 4, which information is subject to change.

<b>Product Type</b>	<b>Assessment Area One</b>	<b>Assessment Area Two</b>	<b>Total</b>
Townhome 20'	118	0	118
Single-family 34'	52	94	146
Single-family 50'	33	59	92
Single-family 60'	3	36	39
<b>Total</b>	<b>206</b>	<b>189</b>	<b>395</b>

Land development for Neighborhood 4 – Assessment Area Two will be broken into three (3) phases, consisting of Phases 3, 4 and 5. The table below presents the number of units by product type for the three (3) development phases in Neighborhood 4 – Assessment Area Two, which information is subject to change.

<b>Product Type</b>	<b>Phase 3</b>	<b>Phase 4</b>	<b>Phase 5</b>	<b>Total</b>
Single-family 34'	34	60	0	94
Single-family 50'	15	40	4	59
Single-family 60'	0	23	13	36
<b>Total</b>	<b>49</b>	<b>123</b>	<b>17</b>	<b>189</b>

*Phase 3:* Phase 3 is planned to include thirty-four (34) single-family 34' lots and fifteen (15) single-family 50' lots. Phase 3 is fully permitted. Mass grading is underway with completion expected by November 2024, at which point parcel infrastructure installation will commence with final completion expected by June 2025.

*Phase 4:* Phase 4 is planned to include sixty (60) 34' single-family lots, forty (40) 50' single-family lots and twenty-three (23) 60' single-family lots. Phase 4 is fully permitted. Mass grading is underway with completion expected by December 2024, at which point

parcel infrastructure installation will commence with final completion expected by June 2025.

*Phase 5:* Phase 5 is planned to include four (4) 50' single-family lots and thirteen (13) 60' single-family lots. Phase 5 is expected to be fully permitted by November 2024. Development of Parcel 5 is anticipated to commence in December 2024, with final completion expected by September 2025. See "– Development Approvals and Permits" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account" herein.

Initial lot delivery of completed lots to the Builders in Neighborhood 4 – Assessment Area Two is expected to commence in the second quarter of 2025, at which point sales and vertical construction of homes will commence.

Based upon discussions with the Builders, the Developer anticipates that closings with homebuyers in Neighborhood 4 – Assessment Area Two will commence in the fourth quarter of 2025 and approximately 100 homes within Neighborhood 4 – Assessment Area Two will be sold and closed per year until buildout which is expected to occur by 2027. These anticipated absorption rates are based upon estimates and assumptions provided to the Developer that are inherently uncertain and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Developer, the Development Manager (hereinafter defined) and the Builders. As a result, there can be no assurance such absorption rates will occur or be realized in the time frames anticipated.

### Builder Contracts

All of the 189 lots within Neighborhood 4 – Assessment Area Two are currently under contract with the Builders. The inspection periods have expired for all contracts and the Builders have all provided non-refundable deposits. The total expected consideration for all lots currently under contract within Neighborhood 4 is \$35,578,400, of which approximately \$19,216,600 is associated with the lots within Neighborhood 4 – Assessment Area Two. A summary of the pricing terms for the Builder Contracts in Neighborhood 4 is included below:

<b>Product Type</b>	<b>No. of Units</b>	<b>Builder</b>	<b>Gross Base Lot Price</b>	<b>Expected Additional Consideration*</b>	<b>Total Expected Consideration</b>
Townhome 20'	118	Lennar	\$ 60,000	\$ 8,000	\$ 8,024,000
Single-family 34'	146	Lennar	71,400	8,000	11,592,400
Single-family 50'	92	DRB	105,000	10,000	10,580,000
Single-family 60'	39	West Bay	126,000	12,000	5,382,000
<b>Total</b>	<b>395</b>				<b>\$35,578,400</b>

\* Expected Additional Consideration is an estimate based upon a formula tied to the sale price of a home and is subject to change based upon the actual sale price of the home.

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### Lennar

Lennar Homes, LLC, a Florida limited liability company (as previously defined, "Lennar"), is currently under contract with the Developer (the "Lennar Contract") to purchase up to 118 20' townhome lots and 146 34' single-family lots within Neighborhood 4 (collectively, the "Lennar Lots"), of which ninety-four (94) 34' single-family lots are anticipated to be located within Neighborhood 4 – Assessment Area Two and subject to the Series 2024A Assessments.

The Lennar Contract became effective as of March 11, 2021. The inspection period under the Lennar Contract expired on or about August 27, 2021 and Lennar delivered a Notice to Proceed (as defined in the Lennar Contract) to continue with the purchase of the Lennar Lots on August 30, 2021.

Pursuant to the Lennar Contract, Lennar delivered an aggregate deposit in the amount of \$1,609,820 (the "Lennar Deposit"), which was released to the Developer on February 16, 2024. Upon release of the Lennar Deposit, a lien which secures the Developer's obligations under the Lennar Contract was recorded, burdening the Lennar Lots. Ultimately, the Lennar Deposit is generally non-refundable, once it has been fully released, unless the Developer does not perform as required under the Lennar Contract.

The Developer expects to complete the improvements necessary for platted lots within Neighborhood 4 – Assessment Area Two to be ready for takedown by Lennar by the second quarter of 2025. The Developer anticipates delivering forty (40) Lennar Lots to Lennar, all of which will be located in Neighborhood 4 – Assessment Area One, for the initial closing in the fourth quarter of 2024. After the initial closing, the Lennar Contract provides, generally, for subsequent lot takedowns of forty (40) Lennar Lots each to occur at least every ninety (90) days after the prior closing. The Lennar Lots are initially priced at \$71,400 per 34' single-family lot. In addition, Lennar Lots are subject to a price "true-up" and marketing fee that are each contingent on the sales price that Lennar ultimately sells units on such lots to end users, and further, lot takedowns subsequent to the initial closing are subject to a six percent (6%) per annum price escalator.

### DRB

Biscayne Homes, LLC, a Florida limited liability company ("Biscayne"), entered into a Lot Purchase and Sale Agreement with the Developer, effective as of April 16, 2021, as amended by a First Amendment to Lot Purchase and Sale Agreement, effective as of November 10, 2023 (as amended, the "Original Contract"), providing for the purchase of up to ninety-two (92) 50' single-family lots within Neighborhood 4 (the "DRB Lots"), of which fifty-nine (59) 50' single-family lots are anticipated to be located within Neighborhood 4 – Assessment Area Two and subject to the Series 2024A Assessments. Biscayne assigned the Original Contract to DRB Group Florida, LLC, a Delaware limited liability company (as previously defined, "DRB") pursuant to an Assignment and Assumption of Purchase Contract dated as of February 29, 2024 (as assigned, the "DRB Contract").

The inspection period under the DRB Contract expired on or about June 15, 2021, and a written notice to continue with the purchase of the DRB Lots was delivered to the Developer on June 21, 2021.

Pursuant to the DRB Contract, an aggregate deposit in the amount of \$600,000 (the "DRB Deposit") was delivered to the Developer, and the DRB Deposit was released to the Developer on May 3, 2022. Upon release of the DRB Deposit, a lien which secures the Developer's obligations under the DRB Contract was recorded, burdening the DRB Lots. Ultimately, the DRB Deposit is generally non-refundable, once it has been fully released, unless the Developer does not perform as required under the DRB Contract.

The Developer expects to complete the improvements necessary for platted lots within Neighborhood 4 – Assessment Area Two to be ready for takedown by DRB by the second quarter of 2025. The Developer anticipates delivering ten (10) DRB Lots to DRB, all of which will be located in Neighborhood 4 – Assessment Area One, for the initial closing in the fourth quarter of 2024. After the initial closing, the DRB Contract provides, generally, for lot takedowns of fifteen (15) DRB Lots each to occur at least every ninety (90) days after the prior closing. The DRB Lots are initially priced at \$105,000 per lot. In addition, DRB Lots are subject to a price "true-up" and marketing fee that are each contingent on the sales price that DRB ultimately sells units on such lots to end users, and further, lot takedowns subsequent to the initial closing are subject to a six percent (6%) per annum price escalator.

#### West Bay

Homes By West Bay, LLC, a Florida limited liability company (as previously defined, "West Bay"), is currently under contract with the Developer (the "West Bay Contract") to purchase up to thirty-nine (39) 60' single-family lots within Neighborhood 4 (the "West Bay Lots"), of which thirty-six (36) 60' single-family lots are anticipated to be located within Neighborhood 4 – Assessment Area Two and subject to the Series 2024A Assessments.

The West Bay Contract became effective as of April 20, 2021 and the inspection period under the West Bay Contract expired on or about June 25, 2021. Pursuant to the West Bay Contract, West Bay did not provide written notice of its desire to terminate the West Bay Contract prior to the expiration of the inspection period, and therefore the West Bay Contract currently remains in effect.

Pursuant to the West Bay Contract, West Bay delivered an aggregate deposit in the amount of \$360,000 (the "West Bay Deposit"), which shall be released upon the satisfaction of certain conditions, including the recording of the Phase 2 plat, which is anticipated to occur in September 2024. The Developer estimates the West Bay Deposit will be released on or before September 30, 2024. Upon release of the West Bay Deposit, a lien which secures the Developer's obligations under the West Bay Contract will be recorded, burdening the West Bay Lots. Ultimately, the West Bay Deposit is generally non-refundable, once it has been fully released, unless the Developer does not perform as required under the West Bay Contract.

The Developer expects to complete the improvements necessary for platted lots within Neighborhood 4 – Assessment Area Two to be ready for takedown by West Bay by the second quarter of 2025. The Developer anticipates delivering three (3) West Bay Lots to West Bay, all of which will be located in Neighborhood 4 – Assessment Area One, for the initial closing in the fourth quarter of 2024. After the initial closing, the West Bay Contract provides, generally, for lot takedowns of sixteen (16) West Bay Lots each to occur at least

every ninety (90) days after the prior closing. The West Bay Lots are initially priced at \$126,000 per lot. In addition, West Bay Lots are subject to a price "true-up" and marketing fee that are each contingent on the sales price that West Bay ultimately sells units on such lots to end users, and further, lot takedowns subsequent to the initial closing are subject to a six percent (6%) per annum price escalator.

The DRB Deposit, the Lennar Deposit and the West Bay Deposit are collectively referred to herein as the "Builder Deposits."

## **Participating Builders**

### *Lennar*

Lennar is a wholly owned subsidiary of Lennar Corporation, a Delaware corporation ("Lennar Corp"), which was founded in 1954, has homebuilding operations in fifteen (15) states and is one of the nation's leading builders of quality homes for all generations, building affordable, first-time, move-up and retirement homes. 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 Exchange Act of 1934, as amended (the "Exchange Act"), and in accordance therewith files reports, proxy statements, and other information with the SEC. The file number for Lennar Corp is 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 [www.sec.gov](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 Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

### *DRB*

DRB is a subsidiary of The Development & Residential Building (DRB) Group ("DRB Group"), which was founded in 1990 and has over three (3) decades of residential real estate expertise. The homebuilding brands within DRB Group have positioned the company as the fifth (5<sup>th</sup>) largest private homebuilder and the twenty-first (21<sup>st</sup>) largest homebuilder in the nation. Additionally, DRB Group is one of the most widely respected and recognized partners in the "Build-to-Rent" marketplace. Since 2019, DRB Group has worked with over twenty (20) firms, funds and investment groups doing fee-build and build for rent projects, communities and joint ventures. DRG Group has a website which can be accessed at [www.drbgroup.com](http://www.drbgroup.com).

### *West Bay*

Since its inception a few years ago, West Bay has become a leading regional homebuilder within the Tampa Bay area and is currently selling and constructing homes in over ten (10) communities located in both Hillsborough County and Pasco County. For further information, please visit [www.homesbywestbay.com](http://www.homesbywestbay.com).

NONE OF THE BUILDERS ARE ENTERING INTO ANY AGREEMENTS ASSOCIATED WITH OR GUARANTEEING THE PAYMENT OF THE SERIES 2024A BONDS OR THE SERIES 2024A ASSESSMENTS.

### Residential Product Offerings

The following table reflects the Developer's current expectations for the homes to be constructed in Neighborhood 4 – Assessment Area Two, all of which are subject to change.

<u>Product Type</u>	<u>Expected Square Footage</u>	<u>Expected Bed/Bath</u>	<u>Expected Home Price</u>
Single-family 34'	1,800 – 2,000	3/2 – 3/2	\$365,000 – \$400,000
Single-family 50'	2,000 – 3,000	3/3 – 4/3	\$500,000 – \$590,000
Single-family 60'	4,000 – 5,000	4/3 – 4/4	\$600,000 – \$675,000

### Development Approvals and Permits

As it relates to Neighborhood 4 – Assessment Area Two and the development of the 189 residential units therein, the Developer has received environmental resource permits (each, an "ERP Permit") from the Southwest Florida Water Management District which allow for the construction of the master stormwater facilities and associated mass grading for Phases 3 and 4 within Neighborhood 4 – Assessment Area Two and is expected to receive the required ERP Permit for Phase 5 by November 2024. As required by such permitting, the Developer purchased certain mitigation bank credits to offset minor wetland impacts. In addition, the County has issued water and wastewater capacity permits for Phases 3 and 4 and the Developer has received development plan, construction plan, and stormwater plan approval for the subdivision improvements (including roadways and utilities) from the County for the lands within Phases 3 and 4 in Neighborhood 4 – Assessment Area Two.

The remaining permits needed for Phase 5 within Neighborhood 4 – Assessment Area Two, including permits for mass grading, potable water, wastewater and county construction approval, are anticipated to be received by November 2024. As discussed further herein, certain net proceeds of the Series 2024A Bonds will not be available for use until all permits required to construct the improvements within Phase 5 have been received. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account" herein.

No Army Corps of Engineers permit is required for any of the lands within Neighborhood 4 – Assessment Area Two. In addition, no gopher tortoise relocation permit is required for any of the lands within Neighborhood 4 – Assessment Area Two. The Developer does not expect that any other species permitting will be required.

The Consulting Engineer will certify at the closing of the Series 2024A Bonds that there are no known issues which would prevent permits necessary for the installation of the infrastructure relating to the Neighborhood 4 – Assessment Area Two Project from being obtained, as necessary, in due course.

## **Environmental**

A Phase I Environmental Site Assessment was prepared by HSA Engineers & Scientists dated June 2013 (the "ESA"), which covers the lands in Neighborhood 4. The ESA revealed no recognized environmental conditions in connection with Neighborhood 4. Only the Developer and certain other parties are entitled to rely on the ESA, and the information included herein as represented on the ESA is being provided for informational purposes only. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Recreational Amenities**

Various amenities planned within the Development will provide families the opportunity to create their own lifestyle. Such amenities include pedestrian trails, a playground, a tot-lot area, dog park, passive parks, benches, pool/cabana, and landscaping/hardscaping/lighting and irrigation within all of these areas.

## **Utilities**

Neighborhood 4 is located within the franchise/service areas of Pasco County Utilities which will provide water, wastewater and reclaimed water services to Neighborhood 4. Pasco County Utilities has issued an initial certificate of capacity with respect to the proposed 189 units associated with Neighborhood 4 – Assessment Area Two. Withlacoochee River Electric Cooperative will provide electrical power to Neighborhood 4 and Spectrum will provide cable, data, and telephone services.

## **Taxes, Fees and Assessments**

The Series 2024A Bonds are being issued in order to finance a portion of the Neighborhood 4 – Assessment Area Two Project. The Series 2024A Bonds will be secured by the Series 2024A Assessments which will be levied on approximately 63.94 gross acres which comprise Neighborhood 4 – Assessment Area Two until such time as lots are platted. Once platted, the Series 2024A Assessments will be assigned to the platted lots within Neighborhood 4 – Assessment Area Two on a first platted first assigned basis. Assuming that all of the currently planned 189 residential units are developed and platted, the Series 2024A Assessments will be allocated on a per unit basis as set forth in the table below and in the Assessment Report. See "APPENDIX B – ASSESSMENT REPORT" attached hereto. It should be noted that the lands within Neighborhood 4 are currently subject to the Series 2005 Assessments in the approximate amount of \$607,546 and therefore, upon issuance of the Series 2024A Bonds, the Series 2024A Assessments levied on the lands in Neighborhood 4 – Assessment Area Two will be co-equal with the lien of Series 2005 Assessments on such lands. It is anticipated that the Developer will prepay the Series 2005 Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders. The Series 2005 Bonds are scheduled to mature on May 1, 2030. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" herein.

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<b>Product Type</b>	<b># of Lots</b>	<b>Series 2005 Principal Per Unit*</b>	<b>Annual Series 2005 Assessments†</b>	<b>Series 2024A Principal Per Unit§</b>	<b>Annual Series 2024A Assessments<sup>‡</sup></b>	<b>Total Principal Per Unit</b>	<b>Total Annual Assessments Per Unit</b>
Single-family 34'	94	\$2,487	\$524	\$33,218	\$2,324	\$35,705	\$2,848
Single-family 50'	59	3,657	771	48,850	3,417	52,508	4,188
Single-family 60'	36	4,389	925	58,620	4,100	63,009	5,025
<b>Total</b>	<b>189</b>						

\* The Series 2005 Bonds are scheduled to mature on May 1, 2030. The Developer anticipates prepaying the Series 2005 Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders.

† The annual Series 2005 Assessment levels shown assume collection via the Uniform Method and will be grossed up to account for early payment discounts and fees of the Property Appraiser and Tax Collector, currently estimated to be 6%.

§ Preliminary, subject to change. Though not required, the Developer anticipates paying down a portion of the Series 2024A Assessments allocated to each lot at the time of closing with the Builders in accordance with the maximum annual assessment levels set in the Builder Contracts (hereinafter defined). See "– Builder Contracts" herein. The total expected Series 2024A Bonds principal paydown for all 189 lots within Neighborhood 4 – Assessment Area Two will be approximately \$4,115,000, which amount is subject to change.

<sup>‡</sup> Preliminary, subject to change. The annual Series 2024A Assessment levels shown assume collection via the Uniform Method and will be grossed up to account for early payment discounts and fees of the Property Appraiser and Tax Collector, currently estimated to be 6%. As noted above, the Developer anticipates paying down a portion of the Series 2024A Assessments allocated to each lot at the time of closing with the Builders such that the annual Series 2024A Assessment levels will be \$1,020, \$1,800 and \$2,160 per single-family 34' unit, single-family 50' unit and single-family 60' unit, respectively.

The current millage rate for the area of the County where the District is located is approximately 16.8720 mills. Assuming an average home price of \$500,000 with a \$25,000 homestead exemption (\$475,000 taxable value), the annual ad valorem property tax would be approximately \$8,014.20. In addition to the Series 2024A Assessments, residents within Neighborhood 4 – Assessment Area Two will be required to pay operation and maintenance assessments ("O&M Assessments") levied by the District which are derived from the District's annual budget and are subject to change each year. The annual gross O&M Assessments for Fiscal Year 2025 range from \$563 to \$2,010 per residential unit based on product type. All residents of the District are additionally required to pay annual homeowners' association ("HOA") fees in the approximate amount of \$150 per residential unit, which amount is subject to change.

The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. Exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Pasco County 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

School age residents of the Development are expected to attend Longleaf Elementary School, River Ridge Middle School and River Ridge High School, which were rated by the State in 2024 as A, C, and B, respectively. All three schools are within ten (10) miles of the Development. The Pasco 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 Development is expected to compete with projects in the Pasco County market, which include Southern Oaks, Fairway Springs, Foxwood, Seven Springs, Riverchase, and Villa Del Rio. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.

## **Developer Agreements**

The Developer will enter into an agreement (the "Completion Agreement") that will obligate the Developer to complete any portions of the Neighborhood 4 – Assessment Area Two Project not funded with net proceeds of the Series 2024A Bonds.

In addition, the Developer will enter into an agreement (the "Collateral Assignment"), pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, certain development rights relating to the Neighborhood 4 – Assessment Area Two Project and the development of Neighborhood 4 – Assessment Area Two. Notwithstanding such Collateral Assignment, in the event the District forecloses on the lands subject to the Series 2024A Assessments as a result of the Developer's or subsequent landowner's failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Neighborhood 4 – Assessment Area Two Project or the development of Neighborhood 4 – Assessment Area Two. Further, as noted herein under "– Builder Contracts," there are already certain recorded liens in favor of certain of the Builders (the "Builder Liens") which are under contract with the Developer for the acquisition of finished lots within Neighborhood 4 – Assessment Area Two. The Builders will not be providing a written subordination of their respective Builder Lien to the Collateral Assignment. Accordingly, with respect to intangible personal property rights associated with Neighborhood 4 and covered under the documents governing such liens (the "Intangible Rights"), the Builders may have rights to such Intangible Rights which are superior to the District's rights to such Intangible Rights under the Collateral Assignment. In addition, Fidelity may have certain intangible rights assigned to it under the terms of the Credit Agreement and/or Loan and the Mortgage relating to Neighborhood 4 which may be superior to such Intangible Rights that might otherwise be assigned to the District under the terms of the Collateral Assignment. See "BONDOWNERS' RISKS – Completion of Neighborhood 4 – Assessment Area Two Project" and "BONDOWNERS' RISKS – Existing Mortgage" herein.

Finally, the Developer will enter into an agreement (the "True-Up Agreement") in connection with its obligation to pay true-up payments in the event that debt levels remaining on unplatted lands in Neighborhood 4 – Assessment Area Two increase above the maximum debt levels set forth in the Assessment Report. See "APPENDIX B – ASSESSMENT REPORT" attached hereto for additional information regarding the "true-up mechanism." See also "BONDOWNERS' RISKS – Completion of Neighborhood 4 – Assessment Area Two Project" herein.

Such obligations of the Developer are unsecured obligations. The Developer is a special-purpose entity whose assets consist primarily of its interests in Neighborhood 4. See "THE DEVELOPER" herein for more information regarding the Developer.

## THE DEVELOPER

### General

Hawk Longleaf, LLC, a Delaware limited liability company (as previously defined, the "Developer"), acquired the lands comprising Neighborhood 4 in March 2021. The Developer is wholly owned and controlled by its sole member, Hawk Land Investors New, LLC, a Delaware limited liability company (as previously defined, "Hawk Land"). The membership interests in Hawk Land are owned by Len-Land, LLC, a Delaware limited liability company (40%) ("Len-Land") and Hawk Holdings One, LLC, a Delaware limited liability company (60%) ("Hawk Holdings"). Len-Land is ultimately owned and controlled by an entity that is wholly owned by Lennar Corporation (as previously defined, "Lennar Corp"). See "THE DEVELOPMENT – Participating Builders" herein for more information regarding Lennar Corp. Hawk Holdings is ultimately owned and controlled by entities that are wholly owned by Mr. John M. Ryan. Under the Operating Agreement governing the Developer (the "Operating Agreement"), the Developer is manager-managed by Mr. John M. Ryan, and subject to the terms of the Operating Agreement, Mr. Ryan as manager is responsible for managing the operations of the Developer on a day-to-day basis.

### Development Manager

Under the terms of the Operating Agreement governing Hawk Land (the "Hawk Land Operating Agreement"), Hawk Holdings (in such capacity, the "Development Manager") will provide development management services for the purpose of overseeing the day-to-day activities of, among other things, Neighborhood 4, including planning, entitlement, lot development, sales activities, and to act as the contracting party for third party vendors necessary for Neighborhood 4, all subject to the terms of the Hawk Land Operating Agreement.

The Development Manager utilizes a team of experienced real estate professionals located in Tampa, Florida that has significant hands-on experience developing large master planned residential communities. Those individuals include John M. Ryan, Robert Ahrens and Michael Lawson. This team has led the development of over 49,000 single-family lots and has been selected to manage multiple projects in the current market. The Development Manager is controlled by Mr. John M. Ryan, and the Development Manager is ultimately owned, through other, affiliated entities (the "Development Manager Affiliates"), by Mr. Ryan's family. Such Development Manager Affiliates are also managed by Mr. Ryan, either through Metro Development Group, L.L.C., a Florida limited liability company, or other affiliated entities.

The following are biographies of the management team and key personnel utilized by the Development Manager that will oversee development of Neighborhood 4.

*John M. Ryan* is the sole manager of the Development Manager. Prior to the Development Manager, Mr. Ryan had a successful career in Canadian real estate development in Toronto and real estate development in Florida. Mr. Ryan's rare combination of big picture vision and attention to detail, along with his extensive experience in residential and commercial development and hands-on approach to every project the company undertakes, have helped the Development Manager and its affiliates



become a premier land developer. Mr. Ryan has successfully and simultaneously managed development companies in Canada and the United States. Mr. Ryan holds a degree in Civil Engineering from Queens University, Kingston, Ontario.

*Robert Ahrens* was previously a Senior Vice President at KB Homes in charge of acquisition and development. As a Division President for Lennar Homes, Mr. Ahrens managed assets in excess of \$200 million, and as a Vice President at Arvida, Mr. Ahrens directed a 10,000-acre development, the single largest asset in the company's history. Mr. Ahrens' responsibilities for the Development Manager include identifying and negotiating new opportunities.

*Michael Lawson* serves as the Managing Director of Operations for the Development Manager and oversees all aspects of land development and entitlement for the Development Manager. Mr. Lawson was a pioneer in the formation and financing of community development districts and has two decades of experience rising through the ranks of two of the nation's preeminent homebuilders, U.S. Home and Lennar Homes, ultimately having become a Division President. Mr. Lawson holds an accounting degree from Florida Southern.

Below are residential projects associated with the Development Manager's management team:

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<b>Project Name</b>	<b>County</b>	<b>Total Lots</b>	<b>Status</b>	<b>Completed/Expected Completion Date</b>	<b>Project Type*</b>
Oak Stone East	DeSoto	2,000	Permitting	12/31/2027	SFD/TH
Normandy	Duval	2,500	Active	12/31/2029	SFD/TH
Sunrise	Hernando	3,900	Permitting	12/31/2030	SFD/TH
Boyette Creek	Hillsborough	556	Completed	6/30/2005	SFD
Cypress Creek	Hillsborough	1,197	Completed	12/31/2020	SFD/TH
Southshore Bay	Hillsborough	2,800	Active	12/31/2026	SFD/TH
Interbay	Hillsborough	297	Completed	6/30/2007	SFD
Palm River	Hillsborough	300	Completed	12/31/2007	TH
Park Creek	Hillsborough	326	Completed	12/31/2018	SFD
Sereno	Hillsborough	650	Active	12/31/2026	SFD
South Fork East	Hillsborough	757	Completed	12/31/2008	SFD
South Fork West	Hillsborough	939	Completed	3/1/2007	SFD
Southbay	Hillsborough	274	Completed	9/30/2006	SFD
Spencer II	Hillsborough	139	Completed	6/30/2006	SFD
Tuscany Bay	Hillsborough	150	Completed	12/31/2020	SFD
Waterleaf	Hillsborough	623	Completed	12/31/2021	SFD
Brightwater	Lee	1,500	Active	12/31/2026	SFD/TH
Curiosity Creek	Manatee	1,500	Permitting	12/31/2028	SFD/TH
Emmer	Manatee	128	Permitting	12/31/2022	TH
Glen Creek	Manatee	1,020	Active	12/31/2026	SFD
Parrish Lakes	Manatee	1,606	Active	12/31/2029	SFD/TH
Kissimmee Park	Osceola	2,800	Permitting	12/31/2028	SFD/TH
Angeline	Pasco	7,500	Active	12/31/2032	SFD/TH
Chapel Pines	Pasco	614	Completed	5/31/2006	SFD
Epperson	Pasco	1,999	Active	12/31/2025	SFD/TH
Epperson North	Pasco	1,856	Active	12/31/2026	SFD/TH
Hidden River	Pasco	325	Completed	12/31/2020	SFD
Meadow Ridge	Pasco	658	Active	12/31/2025	TH
Mirada	Pasco	5,150	Active	12/31/2026	SFD/TH
Serengeti	Pasco	164	Active	12/31/2026	SFD
Silverado Ranch	Pasco	502	Completed	12/31/2020	SFD
Highland Trails	Pasco	700	Active	12/31/2025	SFD
Union Park	Pasco	1,581	Active	12/31/2023	SFD/TH
Zephyr Lakes	Pasco	588	Active	12/31/2024	SFD/TH
Hampton Hills South	Polk	911	Completed	12/31/2020	SFD/TH
Leomas Landing	Polk	336	Active	12/31/2026	SFD
Oak Landing	Polk	96	Completed	6/30/2006	SFD
Squire Groves	Polk	357	Completed	12/31/2020	SFD
Total		49,299			

\* SFD = Single-Family Development; TH = Townhome

*Neither the Developer, the Development Manager, nor any of the individuals or entities listed above is guaranteeing payment of the Series 2024A Bonds or the Series 2024A Assessments.*

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds secured by special assessments issued by a public authority or governmental body in the State. Certain of these risks are described in the section above entitled "ENFORCEMENT OF ASSESSMENT COLLECTIONS." However, certain additional risks are associated with the Series 2024A Bonds offered hereby. This section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2024A Bonds and prospective purchasers are advised to read this Limited Offering Memorandum including all appendices hereto in its entirety to identify investment considerations relating to the Series 2024A Bonds.

### **Limited Pledge**

The principal security for the payment of Debt Service on the Series 2024A Bonds is the timely collection of the Series 2024A Assessments. The Series 2024A Assessments do not constitute a personal indebtedness of the owners of the land subject thereto but are secured by a lien on such land. There is no assurance that the Developer or any subsequent landowner will be able to pay the Series 2024A Assessments or that they will pay such Series 2024A Assessments even though financially able to do so. Neither the Developer nor any subsequent landowner is a guarantor of payment of any Series 2024A Assessment and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2024A Assessments is limited to the collection proceedings against the land. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. The District has not granted, and may not grant under State law, a mortgage or security interest in the Neighborhood 4 – Assessment Area Two Project. Furthermore, the District has not pledged the revenues, if any, from the operation of the Neighborhood 4 – Assessment Area Two Project as security for, or a source of payment of, the Series 2024A Bonds. The Series 2024A Bonds are payable solely from, and secured solely by, the Series 2024A Trust Estate, including the Series 2024A Assessments. The failure of the Developer or any subsequent landowner to pay the required Series 2024A Assessment on its property will not result in an increase in the amount of Series 2024A Assessments other landowners are or would be required to pay.

### **Concentration of Land Ownership and Bankruptcy Risks**

Initially, payment of the Series 2024A Assessments is substantially dependent upon their timely payment by the Developer. In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other subsequent significant owner of property subject to the Series 2024A Assessments, delays and impairment could occur in the payment of Debt Service on the Series 2024A Bonds as such bankruptcy could negatively impact the ability of (a) the Developer or any other landowner being able to pay the Series 2024A Assessments, (b) the County to sell tax certificates in relation to such property with respect to the Series 2024A Assessments being collected pursuant to the Uniform Method, and (c) the District's ability to enforce collection with respect to the Series

2024A Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2024A Bonds, the Trustee and the District 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 during a bankruptcy of the Developer or any other landowner, the remedies specified by federal, State and local law and in the Indenture and the Series 2024A Bonds, including, without limitation, enforcement of the obligation to pay Series 2024A Assessments and the ability of the District to foreclose the lien of the Series 2024A Assessments, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024A 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 available remedies respecting the Series 2024A Bonds could have a material adverse impact on the interest of the Owners thereof.

### **Delay and Discretion Regarding Remedies**

Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates in regard to delinquent Series 2024A Assessments collected pursuant to the Uniform Method will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two (2) years. Similarly, the ability of the District to enforce collection of delinquent Series 2024A Assessments collected directly by the District will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2024A Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. If the District should commence a foreclosure action against a landowner for nonpayment of Series 2024A Assessments which are not being collected pursuant to the Uniform Method and that are delinquent, such landowner may raise affirmative defenses to such foreclosure action, which although such affirmative defenses would likely be proven to be without merit, could result in delays in completing the foreclosure action.

### **Limitation on Funds Available to Exercise Remedies**

In the event of a default by a landowner in payment of Series 2024A Assessments that are not collected pursuant to the Uniform Method, the District is required under the Indenture to fund the costs of foreclosure of such delinquent Series 2024A Assessments. It is possible that the District will not have sufficient funds and will be compelled to request the Owners of the Series 2024A Bonds to allow funds on deposit under the Indenture to be used to pay such costs. Under the Internal Revenue Code of 1986, as amended (the "Code"), there are limitations on the amount of Series 2024A Bond proceeds that can be used for such purpose. As a result, there may be insufficient funds for the exercise of remedies.

## **Determination of Land Value upon Default**

The assessment of the benefits to be received by the benefited land within Neighborhood 4 – Assessment Area Two as a result of implementation and development of the Neighborhood 4 – Assessment Area Two Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than the debt secured by the Series 2024A Assessments associated with it. To the extent that the realizable or market value of the land benefited by the Neighborhood 4 – Assessment Area Two Project is lower than the assessment of benefits, the ability of the Tax Collector to sell tax certificates relating to such land, or the District to realize sufficient value from a foreclosure action, may be adversely affected. Such adverse effect could render the District unable to collect delinquent Series 2024A Assessments, if any, 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 Series 2024A Bonds.

## **Landowner Challenge of Assessed Valuation**

Under State law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2024A Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2024A Assessment, even though the landowner is not contesting the amount of the Series 2024A 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 seventy-five percent (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.

## **Failure to Comply with Assessment Proceedings**

The District is required to comply with statutory procedures in levying the Series 2024A Assessments. Failure of the District to follow these procedures could result in the Series 2024A Assessments not being levied or potential future challenges to such levy.

## **Other Taxes and Assessments**

The willingness and/or ability of a landowner within Neighborhood 4 – Assessment Area Two to pay the Series 2024A Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of the District, such as the County, the School Board of Pasco County and other special districts could, without the consent of the owners of the land within Neighborhood 4 – Assessment Area Two, impose additional taxes or assessments on the property within Neighborhood 4 – Assessment Area Two. County, municipal, school and

special district taxes and assessments, including the Series 2024A Assessments, and any additional voter-approved ad valorem taxes, are payable at the same time when collected pursuant to the Uniform Method, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment, such taxpayer cannot designate specific line items on the tax bill as deemed paid in full. Therefore, any failure by a landowner to pay any one line item, whether or not it is the Series 2024A Assessments, would result in such landowner's Series 2024A Assessments to not be fully collected, which could have a significant adverse impact on the District's ability to make full or punctual payment of Debt Service on the Series 2024A Bonds.

As referenced herein, the Series 2024A Assessments are levied on lands within Neighborhood 4 – Assessment Area Two that are also subject to O&M Assessments and HOA fees. Additionally, the Series 2024A Assessment will initially be levied on lands within Neighborhood 4 – Assessment Area Two that are subject to the Series 2005 Assessments which are co-equal with the lien of the Series 2024A Assessments. It is anticipated that the Developer will prepay the Series 2005 Assessments allocated to each lot within Neighborhood 4 – Assessment Area Two at the time of lot closing with the Builders. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein.

### **Limited Secondary Market**

The Series 2024A Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2024A Bonds in the event an Owner thereof determines to solicit purchasers of the Series 2024A Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2024A Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2024A Bonds, depending on the progress of Neighborhood 4, existing market conditions and other factors.

### **Inadequacy of Series 2024A Reserve Account**

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Series 2024A Assessments or a failure to collect the Series 2024A Assessments, but may not affect the timely payment of Debt Service on the Series 2024A Bonds because of the Series 2024A Reserve Account established by the District for the Series 2024A Bonds. However, the ability of the District to fund deficiencies caused by delinquent or delayed Series 2024A Assessments is dependent upon the amount, duration and frequency of such deficiencies or delays. If the District has difficulty in collecting the Series 2024A Assessments, the Series 2024A Reserve Account could be rapidly depleted and the ability of the District to pay Debt Service on the Series 2024A Bonds could be materially adversely affected. Owners should note that although the Indenture contains the Series 2024A Reserve Account Requirement for the Series 2024A Reserve Account, and a corresponding obligation on the part of the District to replenish the Series 2024A Reserve Account to the Series 2024A Reserve Account Requirement, the District does not have a designated revenue source for replenishing the Series 2024A Reserve Account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series

2024A Assessments in order to provide for the replenishment of the Series 2024A Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS – Additional Obligations" herein.

Moneys on deposit in the Series 2024A 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 available in the Series 2024A Reserve Account to make up deficiencies or delays in collection of Series 2024A Assessments.

### **Regulatory and Environmental Risks**

Neighborhood 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 Neighborhood 4. See "THE DEVELOPMENT – Development Approvals and Permits" herein.

The value of the land within Neighborhood 4 – Assessment Area Two, the ability to complete the Neighborhood 4 – Assessment Area Two Project or develop Neighborhood 4 – Assessment Area Two, and the likelihood of timely payment of Debt Service on the Series 2024A Bonds could be affected by environmental factors with respect to the lands in Neighborhood 4 – Assessment Area Two, such as contamination by hazardous materials. 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 Neighborhood 4 – Assessment Area Two or from surrounding property, and what effect such may have on the development of the lands within Neighborhood 4 – Assessment Area Two. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" herein.

### **Economic Conditions**

The successful sale of lots to homebuilders and the successful sale of residential units, in turn, by homebuilders to end users once homes are built within Neighborhood 4, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer, the Development Manager or the District. Contracts that the Developer may have with individual homebuilders are subject to a myriad of contractual conditions, which if not complied with, may lead to termination or rescission of such contracts, causing the Developer to possibly need to execute a different strategy for the development and sale of finished lots or undeveloped land. See "THE DEVELOPMENT – Builder Contracts" 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 assurance 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 Series 2024A Bonds.

## **Infectious Viruses and/or Diseases**

The COVID-19 pandemic severely impacted global financial markets, unemployment levels and commerce generally. It is possible that, in the future, the spread of epidemic or pandemic diseases and/or government health and public safety restrictions imposed in response thereto could adversely impact the District, the Developer, the timely and successful completion of Neighborhood 4, and the construction and sale to purchasers of residential units therein. Such impacts could include delays in obtaining development approvals, construction delays, supply chain delays, or increased costs.

## **Damage to District from Natural Disasters**

The value of the lands subject to the Series 2024A Assessments could be adversely affected 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 lands within the District unable to support the construction of the Neighborhood 4 – Assessment Area Two Project or the development of Neighborhood 4 – Assessment Area Two. The occurrence of any such events could materially adversely affect the District's ability to collect Series 2024A Assessments and pay Debt Service on the Series 2024A Bonds. The Series 2024A Bonds are not insured and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

## **Change in Development Plans**

The Developer has the right to modify or change plans for development of certain property within Neighborhood 4, 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.

## **Completion of Neighborhood 4 – Assessment Area Two Project**

In the event the District does not have sufficient moneys on hand to complete the Neighborhood 4 – Assessment Area Two Project, there can be no assurance that the District will be able to raise through the issuance of bonds, or otherwise, the moneys necessary to complete the Neighborhood 4 – Assessment Area Two Project. Further, pursuant to the



Supplemental Indenture, the District will covenant that so long as there are any Series 2024A Bonds Outstanding, it shall not cause or permit to be caused any lien, charge or claim against the Series 2024A Trust Estate. Further, the District will covenant and agree not to issue any Bonds or other debt obligations secured by Assessments on lands within the District which are also encumbered by the Series 2024A Assessments for any capital project that provides special benefit, as determined by the District, solely to Neighborhood 4 – Assessment Area Two, unless the Series 2024A Assessments have been Substantially Absorbed. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024A BONDS – Additional Obligations" herein. The Developer will enter into the Completion Agreement with the District whereby the Developer will agree to provide funds to complete the Neighborhood 4 – Assessment Area Two Project to the extent that net proceeds of the Series 2024A Bonds are insufficient therefor. However, such obligation of the Developer is an unsecured obligation and the Developer is a single asset entity whose primary asset is the lands comprising Neighborhood 4. In addition, the Developer will also execute and deliver to the District the Collateral Assignment, pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, certain of its development rights relating to the Neighborhood 4 – Assessment Area Two Project and the lands subject to the Series 2024A Assessments as security for the Developer's payment and performance and discharge of its obligation to pay the Series 2024A Assessments. However, there can be no assurance that in the case of a default in the payment of the Series 2024A Assessments and a default of the Series 2024A Bonds that if the District and/or the Trustee were to exercise their rights under such Collateral Assignment that the District and/or the Trustee, as the case may be, will have all development rights necessary to develop Neighborhood 4 – Assessment Area Two or Neighborhood 4 – Assessment Area Two. See "THE NEIGHBORHOOD 4 – ASSESSMENT AREA TWO PROJECT" and "THE DEVELOPMENT" herein. Further, as noted herein under "THE DEVELOPMENT – Builder Contracts," there are already recorded liens in favor of certain of the Builders (as previously defined, the "Builder Liens") which are under contract with the Developer for the acquisition of finished lots within Neighborhood 4 – Assessment Area Two. The Builders will not be providing a written subordination of their respective Builder Lien to the Collateral Assignment. Accordingly, with respect to intangible personal property rights associated with Neighborhood 4 and covered under the documents governing such liens (as previously defined, the "Intangible Rights"), the Builders may have rights to such Intangible Rights which are superior to the District's rights to such Intangible Rights under the Collateral Assignment. In addition, Fidelity may have certain intangible rights assigned to it under the terms of the Credit Agreement and/or Loan and the Mortgage relating to Neighborhood 4 which may be superior to such Intangible Rights that might otherwise be assigned to the District under the terms of the Collateral Assignment. See "THE DEVELOPMENT – Land Acquisition and Finance Plan" herein.

### **District May Not be Able to Obtain Permits**

In connection with a foreclosure of lien of assessments prior to completion of a development, the Circuit Court in and for Lake County, Florida concluded that a community development district had no right, title or interest in any permits and approvals owned by the owner of the parcels so foreclosed. As discussed herein, the District and the Developer will enter into the Collateral Assignment upon issuance of the Series 2024A Bonds in which the Developer collaterally assigns to the District certain of its development

and contract rights relating to the Neighborhood 4 – Assessment Area Two Project. Notwithstanding the foregoing, in the event that the District forecloses on the property subject to the lien of the Series 2024A Assessments to enforce payment thereof, the District may not have the right, title or interest in all the permits and approvals owned by the Developer and failure to obtain any such permits or approvals in a timely manner could delay or adversely affect the completion of Neighborhood 4. See "THE DEVELOPMENT – Developer Agreements" herein.

### **Interest Rate Risk; No Rate Adjustment for Taxability**

The interest rates borne by the Series 2024A Bonds are, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the Series 2024A Bonds. These higher interest rates are intended to compensate investors in the Series 2024A Bonds for the risk inherent in the purchase of the Series 2024A Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2024A Assessments that the District must levy in order to provide for payment of Debt Service on the Series 2024A Bonds and, in turn, may increase the burden of landowners within Neighborhood 4 – Assessment Area Two, thereby possibly increasing the likelihood of non-payment or delinquency in payment of such Series 2024A Assessments.

The Indenture does not contain an adjustment of the interest rates on the Series 2024A Bonds in the event of a determination of taxability of the interest thereon. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Indenture or the Arbitrage Certificate executed by the District upon issuance of the Series 2024A Bonds or due to a change in the United States income tax laws. Should interest on the Series 2024A Bonds become includable in gross income for federal income tax purposes, Owners of the Series 2024A Bonds will be required to pay income taxes on the interest received on such Series 2024A Bonds and related penalties. Because the interest rates on such Series 2024A Bonds will not be adequate to compensate Owners of the Series 2024A Bonds for the income taxes due on such interest, the value of the Series 2024A Bonds may decline. Prospective purchasers of the Series 2024A Bonds should evaluate whether they can own the Series 2024A Bonds in the event that the interest on the Series 2024A Bonds becomes taxable and/or the District is ever determined to not be a political subdivision for purposes of the Securities Act.

### **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. Although it is impossible to predict whether the IRS will select the Series 2024A Bonds for audit, 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 Series 2024A Bonds are advised that, if the IRS does audit the Series 2024A 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 Series 2024A Bonds may have limited rights to participate in those proceedings. The commencement of such an audit

could adversely affect the market value and liquidity of the Series 2024A Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2024A 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 Series 2024A Bonds would adversely affect the availability of any secondary market for the Series 2024A Bonds. Should interest on the Series 2024A Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2024A Bonds be required to pay income taxes on the interest received on such Series 2024A Bonds and related penalties, but because the interest rates on such Series 2024A Bonds will not be adequate to compensate Owners of the Series 2024A Bonds for the income taxes due on such interest, the value of the Series 2024A Bonds may decline. See also "TAX MATTERS" herein.

### **Legislative Proposals and State Tax Reform**

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 Series 2024A 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 to the Series 2024A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2024A Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2024A Bonds. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2024A Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for or marketability of the Series 2024A Bonds.

It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or community development districts during upcoming State 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. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2024A Bonds. It should be noted that Section 190.016(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 in any way impair the rights or remedies of such holders." See "AGREEMENT BY THE STATE" herein.

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

Since the Series 2024A Bonds have not been, and will not be, registered under the Securities Act or any state securities laws, pursuant to the exemption for political subdivisions, it is possible that federal or state regulatory authorities could determine that the District is not a political subdivision for purposes of federal and state securities laws. Accordingly, the District and purchasers of the Series 2024A Bonds may not be able to rely on the exemption from registration relating to securities issued by political subdivisions. In that event, Owners of the Series 2024A Bonds would need to ensure that subsequent transfers of the Series 2024A Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

## **Prepayment and Redemption Risk**

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2024A Bonds are subject to extraordinary mandatory redemption as a result of Prepayments of the Series 2024A Assessments by the Developer or subsequent owners of the property within Neighborhood 4 – Assessment Area Two. Any such redemptions of the Series 2024A Bonds would be at the principal amount of such Series 2024A Bonds being redeemed plus accrued interest to the date of redemption. In such event, Owners of the Series 2024A Bonds may not realize their anticipated rate of return on the Series 2024A Bonds and Owners of any Premium Bonds (hereinafter defined) may receive less than the price they paid for the Series 2024A Bonds. See "DESCRIPTION OF THE SERIES 2024A BONDS – Redemption Provisions" herein.

## **Performance of District Professionals**

The District has represented to the Underwriter that it has selected its District Manager, District Counsel, Consulting Engineer, Assessment Consultant, Trustee and other professionals with the appropriate due diligence and care. While the foregoing professionals have each represented that they have the respective requisite experience to accurately and timely perform the duties assigned to them in such roles, the District does not guarantee the performance of such professionals.

## **Existing Mortgage**

As further described under "THE DEVELOPMENT – Land Acquisition and Finance Plan," there is an existing mortgage (as previously defined, the "Mortgage") that burdens all of the lands in Neighborhood 4 – Assessment Area Two in favor of Fidelity Land, LLC, a Florida limited liability company (as previously defined, "Fidelity"). Although the Series 2024A Assessments are considered to be superior to the lien of a conventional mortgage by operation of law, it is not unusual for mortgagees to raise defenses during a foreclosure action to protect their security interests, and similarly situated mortgagees have, in fact, raised defenses in the past in the context of a community development district foreclosing on a delinquent assessment lien (the "Mortgagee Defenses"). Such Mortgagee Defenses could affect the timing and/or outcome of an action by the District to foreclose on delinquent Series 2024A Assessments. In addition, Fidelity may have certain intangible rights assigned to it under the terms of the Loan relating to Neighborhood 4 – Assessment Area

Two which are superior to such intangible rights that might otherwise be assigned to the District under the terms of the Collateral Assignment.

**No Credit Enhancement or Rating**

No application for credit enhancement or a rating on the Series 2024A Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2024A Bonds had application been made.

**Mortgage Default and FDIC**

In the event a bank forecloses on property in Neighborhood 4 – Assessment Area Two because of a default on a mortgage with respect thereto and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2024A Assessments. In addition, the District would be required to obtain the consent of the FDIC prior to commencing a foreclosure action on such property for failure to pay Series 2024A Assessments.

**ESTIMATED SOURCES AND USES OF BOND PROCEEDS**

**Sources of Funds**

Par Amount of Series 2024A Bonds	
Less/Plus Original Issue Discount/Premium	_____
<b>Total Sources</b>	=====

**Uses of Funds**

Deposit to Series 2024A Acquisition and Construction Account	
Deposit to Series 2024A Restricted Acquisition and Construction Account	
Deposit to Series 2024A Reserve Account	
Deposit to Series 2024A Capitalized Interest Account <sup>(1)</sup>	
Deposit to Series 2024A Costs of Issuance Account <sup>(2)</sup>	
Underwriter's Discount	_____
<b>Total Uses</b>	=====

<sup>(1)</sup> Represents capitalized interest on the Series 2024A Bonds through May 1, 2025.  
<sup>(2)</sup> Costs of issuance include, without limitation, legal fees and other costs associated with the issuance of the Series 2024A Bonds.

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**DEBT SERVICE REQUIREMENTS**

The following table sets forth the scheduled debt service on the Series 2024A Bonds:

<u>Period Ending</u> <u>November 1st</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Debt Service</u>
<b>Total</b>	_____	_____	_____

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## **TAX MATTERS**

### **Opinion of Bond Counsel**

In the opinion of Bond Counsel, the form of which is included as APPENDIX D hereto, the interest on the Series 2024A Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions; provided, however, with respect to certain corporations, interest on the Series 2024A Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. Failure by the District to comply subsequent to the issuance of the Series 2024A Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (as previously defined, the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2024A Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2024A Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2024A Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

### **Internal Revenue Code of 1986**

The Code contains a number of provisions that apply to the Series 2024A Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2024A Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2024A Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2024A Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

### **Collateral Tax Consequences**

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2024A Bonds. Prospective purchasers of the Series 2024A Bonds should be aware that the ownership of the Series 2024A Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2024A Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2024A Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2024A Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2024A Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

**PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2024A BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND**

CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES REFERRED TO ABOVE. PROSPECTIVE SERIES 2024A BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD.

### **Florida Taxes**

In the opinion of Bond Counsel, the Series 2024A Bonds and 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 said Chapter 220.

### **Other Tax Matters**

Interest on the Series 2024A Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2024A Bonds should consult their tax advisors as to the income tax status of interest on the Series 2024A Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the "IRA"), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15 percent alternative minimum tax to be imposed on the "adjusted financial statement income", as defined in the IRA, of certain corporations. Interest on the Series 2024A Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2024A Bonds.

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 Series 2024A Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2024A Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2024A Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2024A Bonds.

On February 23, 2016, the Internal Revenue Service issued a notice of proposed rulemaking (the "Proposed Regulations") and notice of public hearing containing proposed regulations that provided guidance regarding the definition of political subdivision for purposes of the rules for tax-exempt bonds, including determinations of entities that are valid issuers of tax-exempt bonds. 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." The Proposed Regulations were officially withdrawn on October 20, 2017. See also "BONDOWNERS' RISKS – IRS Examination and Audit Risk" herein.

### **Original Issue Discount**

Certain of the Series 2024A Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over 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 was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial purchaser who acquires a Discount Bond at 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 such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bond. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of 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. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

### **Bond Premium**

Certain of the Series 2024A Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with

their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

## **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. Except as otherwise disclosed herein, the District is not and has not ever been in default as to principal and interest on its bonds or other debt obligations. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" herein.

## **VALIDATION**

The Series 2024A Bonds are a portion of the Bonds that were validated by a Final Judgment of the Circuit Court of the Sixth Judicial Circuit of Florida, in and for Pasco County, Florida, entered on August 12, 2021. The period during which an appeal can be taken has expired with no appeal being taken.

## **LITIGATION**

### **District**

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2024A Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization nor existence of the District, nor the title of the present members of the Board has been challenged.

From time to time, the District expects to experience routine litigation and claims incidental to the conduct of its affairs. In the opinion of District Counsel, there are no actions presently pending or threatened, the adverse outcome of which would have a material adverse effect on the availability of the Series 2024A Trust Estate, or the ability of the District to pay the Series 2024A Bonds from the Series 2024A Trust Estate.

### **Developer**

In connection with the issuance of the Series 2024A Bonds, the Developer will represent to the District that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete Neighborhood 4 as described herein or materially and adversely affect the ability of the Developer to perform its obligations described in this Limited Offering Memorandum.

## CONTINUING DISCLOSURE

### General

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the SEC (the "Rule"), the District, the Developer and Inframark, LLC, as dissemination agent (the "Dissemination Agent") will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District and the Developer have each covenanted for the benefit of the Owners of the Series 2024A Bonds to provide to the Dissemination Agent certain financial information and operating data relating to the District, Neighborhood 4 and the Series 2024A Bonds (the "Reports"), and to provide notices of the occurrence of certain enumerated material events. Such covenants by the District and the Developer shall only apply so long as the Series 2024A Bonds remain Outstanding under the Indenture or so long as the District or the Developer remains an "obligated person" pursuant to the Rule.

The Reports will be filed by the Dissemination Agent with the Municipal Securities Rulemaking Board's Electronic Municipal Markets Access ("EMMA") repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the Dissemination Agent with EMMA. The specific nature of the information to be contained in the Reports and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed at the time of issuance of the Series 2024A Bonds. With respect to the Series 2024A Bonds, no parties other than the District and the Developer are obligated to provide, nor are expected to provide, any continuing disclosure information with respect to the Rule. The foregoing covenants have been made in order to assist the Underwriter in complying with the Rule.

### District Continuing Compliance

The District entered into continuing disclosure undertakings with respect to the Series 2005 Bonds and the Series 2006 Bonds (the "Prior Undertakings"). A review of filings made pursuant to the Prior Undertakings indicates that, within the last five (5) years, the District failed to timely file its audited financial statements for the Fiscal Year ended September 30, 2021. A failure to timely file notice was filed and the audited financial statements were filed seven (7) days late. In addition, the District failed to timely file its audited financial statements for the Fiscal Year ended September 30, 2022. A failure to timely file notice was filed and the audited financial statements were filed ninety-three (93) days late. In addition, the District failed to timely file its audited financial statements for the Fiscal Year ended September 30, 2023. A failure to timely file notice was filed and the audited financial statements were filed on September 11, 2024. Other than as set forth above, the District has not materially failed to comply with its requirements under the Prior Undertakings during the past five (5) Fiscal Years. In addition, the District entered into a continuing disclosure undertaking with respect to the Series 2024 Bonds (the "2024 Undertaking"). To date, the District has not been required to file any reports pursuant to the 2024 Undertaking.

## **Developer Continuing Compliance**

The Developer has previously entered into the 2024 Undertaking. A review of filings made pursuant to the 2024 Undertaking indicates that the Developer has not materially failed to comply with its requirements under the 2024 Undertaking to date.

## **UNDERWRITING**

The Underwriter will agree, pursuant to a contract entered into with the District, subject to certain conditions, to purchase the Series 2024A Bonds from the District at a purchase price of \$\_\_\_\_\_ (representing the par amount of the Series 2024A Bonds of \$\_\_\_\_\_, less an Underwriter's discount of \$\_\_\_\_\_ and plus/less an original issue premium/discount of \$\_\_\_\_\_). See "ESTIMATED SOURCES AND USES OF BOND PROCEEDS" herein. The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2024A Bonds if any are purchased.

The Underwriter intends to offer the Series 2024A Bonds at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the Series 2024A Bonds to certain dealers (including dealers depositing the Series 2024A Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriter.

## **LEGALITY FOR INVESTMENT**

The Act provides that the Series 2024A Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

## **LEGAL MATTERS**

The Series 2024A Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2024A 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, Straley Robin Vericker P.A., Tampa, Florida, for the Developer by its counsel, Shutts & Bowen LLP, Tampa, Florida, and for the Trustee by its counsel, Holland & Knight LLP, Miami, Florida. Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida, is serving as Underwriter's Counsel and Nabors, Giblin & Nickerson, P.A., Tampa, Florida, is serving as Disclosure Counsel.

## **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2024A Bonds, that it will not limit or alter the rights of the issuer of such bonds 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.

## **FINANCIAL STATEMENTS**

The general-purpose financial statements of the District for the Fiscal Years ended September 30, 2022 and September 30, 2023, included in this Limited Offering Memorandum have been audited by Grau & Associates, Inc., independent certified public accountants, as stated in their reports appearing in APPENDIX F. 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 the Series 1999B Bonds, the Series 2001 Bonds and the Series 2006 Bonds. See "THE DISTRICT – Outstanding Indebtedness and Prior Bond Defaults" herein for more information regarding such defaults. The consent of the District's auditor to include in this Limited Offering Memorandum the aforementioned reports was not requested, and the general-purpose financial statements of the District are provided as publicly available documents. The auditor was not requested to, nor did they, perform any procedures with respect to the preparation of this Limited Offering Memorandum or the information presented herein. The District has covenanted in the form of Disclosure Agreement set forth in APPENDIX E attached hereto to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District Fiscal Year ending September 30, 2024. The Series 2024A Bonds are not general obligation bonds of the District and are payable solely from the Series 2024A Trust Estate. See "CONTINUING DISCLOSURE" herein.

## **EXPERTS AND CONSULTANTS**

The references herein to BGE, Inc., as Consulting Engineer, have been approved by said firm. The Supplemental Engineer's Report prepared by such firm has been included as part of composite APPENDIX A attached hereto in reliance upon such firm as an expert in engineering. References to and excerpts herein from such Supplemental Engineer's Report do not purport to be adequate summaries of the Neighborhood 4 – Assessment Area Two Project or complete in all respects. Such Supplemental Engineer's Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

The references herein to Inframark, LLC, as Assessment Consultant, have been approved by said firm. The Assessment Report prepared by such firm has been included as composite APPENDIX B attached hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such Assessment Report do not purport to be adequate summaries of such Assessment Report or

complete in all respects. Such Assessment Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

### **DISCLOSURE OF MULTIPLE ROLES**

Prospective Bondholders should note that (a) Inframark, LLC, serves as District Manager, Assessment Consultant and Dissemination Agent, responsible for the administrative operations of the District, preparation of the Assessment Report attached hereto as composite APPENDIX B and performance of certain duties under the Disclosure Agreement attached hereto as APPENDIX E, and (b) Nabors, Giblin & Nickerson, P.A., Tampa, Florida serves as both Bond Counsel and Disclosure Counsel.

### **CONTINGENT AND OTHER FEES**

The District has retained Bond Counsel, Disclosure Counsel, District Counsel, the Assessment Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2024A Bonds. Except for the payment of certain fees to District Counsel and the Assessment Consultant, the payment of the fees of the other professionals retained by the District is each contingent upon the issuance of the Series 2024A Bonds.

### **NO CREDIT ENHANCEMENT OR RATING**

No application for credit enhancement or a rating on the Series 2024A Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the Series 2024A Bonds had application been made.

### **MISCELLANEOUS**

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the holders of the Series 2024A Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable and is believed to be correct as of the date of this Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility 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 expression of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District, the Developer or Neighborhood 4 from the date hereof. However, certain parties to the transaction will, on the closing date of the Series 2024A Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of this Limited Offering Memorandum contain an untrue statement of a material fact or omit to state a material fact that should be included herein for the purpose for which this Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of this Limited Offering Memorandum to the date of closing of the Series 2024A Bonds that there has been no material adverse change in the information provided.

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This Limited Offering Memorandum is submitted in connection with the sale of the securities referred to herein and may not be reproduced or used, as a whole or in part, for any other purpose. The appendices hereof are integral parts of this Limited Offering Memorandum and must be read in their entirety together with all foregoing statements.

**LONGLEAF COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Name: Robert Hideck  
Its: Chairman



**APPENDIX A**  
**ENGINEER'S REPORT**

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**MASTER ENGINEER'S REPORT FOR NEIGHBORHOOD 4**

**FOR**

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT**

**October 10, 2023**

*Prepared by:*

**JOHNSON**  
ENGINEERING  
17900 Hunting Bow Circle, Suite 101  
Lutz, Florida 33558  
Telephone (813) 909-8099  
EB 642

## **1.0 INTRODUCTION**

Neighborhood 4 (“Neighborhood 4”) of the Longleaf Community Development District (“the District”) encompasses approximately 125.5 acres in Pasco County, Florida. Neighborhood 4 is located within Sections 18 and 19, Township 26 South, Range 17 East. It is the remaining vacant phase of the District which has five (5) phases and encompasses approximately 562.562 acres within Sections 18, 19 and 30, Township 26 South, Range 17 East.

See Appendix A for a Vicinity Map and Legal Description of the District.

## **2.0 PURPOSE**

The Longleaf Community Development District was established by Pasco County Ordinance #98-21 effective on September 29, 1998 for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Report is to provide a description and estimated costs of the public improvements and community facilities being planned within Neighborhood 4.

See Appendix B for MPUD Plans

## **3.0 THE DEVELOPER AND DEVELOPMENT**

The property owner and developer, Hawk Longleaf LLC, currently plans to develop a total of 395 residential units within Neighborhood 4. The development will also include a recreational amenity, landscape and hardscape improvements.

The possible major public improvements and community facilities include, but are not limited to, water management and control, water supply, sewer and wastewater management, roads, parks and recreation, and landscaping/hardscaping/irrigation.

## **4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES**

Detailed descriptions of the proposed public improvements and community facilities are provided in the following sections.

### **4.1 WATER MANAGEMENT AND CONTROL**

The design criteria for the Neighborhood 4 water management and control are regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The water management and control plan for Neighborhood 4 focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways, landscape berming, drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the water management and control for Neighborhood 4 are:

1. To provide stormwater quality treatment
2. To protect the development within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of constructing the District improvements during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater runoff from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100-year storm event.

Water management and control systems will be designed in accordance with Pasco County technical standards. The District is anticipated to own and maintain these facilities.

#### **4.2 WATER SUPPLY**

Neighborhood 4 is located within the Pasco County Utilities service area which will provide water supply for potable water service and fire protection to the property. The water supply improvements are anticipated to include 8" looped water mains which will supply potable water and service and fire protection to Neighborhood 4. Off-site improvements may be required to provide service to Neighborhood 4.

The water supply systems will be designed in accordance with Pasco County technical standards. It is anticipated that Pasco County will own and maintain these facilities.

#### **4.3 SEWER AND WASTEWATER MANAGEMENT**

Neighborhood 4 is located within the Pasco County Utilities service area which will provide sewer and wastewater management service to Neighborhood 4. Reclaimed water will be the primary source of irrigation for the development. The sewer and wastewater management improvements are anticipated to include an 8" gravity sanitary sewer system within the road rights of way and pumping stations that will connect to an existing forcemain located east of Neighborhood 4. Off-site improvements may be required to provide service to Neighborhood 4.

All sanitary sewer, wastewater management and reclaimed water facilities will be designed in accordance with Pasco County technical standards. It is anticipated that Pasco County will own and maintain these facilities.

#### **4.4 DISTRICT ROADS**

Neighborhood 4 roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas.

All roads will be designed in accordance with the Pasco County technical standards and are anticipated to be owned and maintained by the District.

#### **4.5 PARKS AND RECREATION FACILITIES**

Parks and recreation facilities are planned throughout Neighborhood 4 and will be owned and maintained by the District. The recreational facilities are planned to include a pool, cabana, tot lot, dog park and playground area.

#### **4.6 LANDSCAPING/HARDSCAPE/IRRIGATION**

Community entry monumentation and landscape buffering and screening will be provided at several access points into Neighborhood 4. Irrigation will also be provided in the landscaped common areas.

It is anticipated that these improvements will be owned and maintained by the District.

#### **4.7 PROFESSIONAL SERVICES AND PERMITTING FEES**

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the subdivision, landscape, hardscape, and community amenity's design, permitting, and construction. As well, development/construction management services are required for the design, permitting, construction, and maintenance acceptance of the public improvements and community facilities.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure may also be required.

These fees associated with public improvements may be funded by the District.

#### **5.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS**

See Appendix C for the Construction Cost Estimate of Public Improvements and Community Facilities.

## 6.0 SUMMARY AND CONCLUSION


The District, as outlined above, is responsible for the functional development of the lands within the District and, except as noted above in this report, such public improvements and facilities are located within the boundary of the District.


The planning and design of Neighborhood 4 will be in accordance with current governmental regulatory requirements.

Items of construction cost in this report are based on our review and analysis of the conceptual site plans for the development and recent costs expended in similar projects of nature and size. It is our professional opinion that the estimated infrastructure costs provided herein for the development are conservative to complete the construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

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

  
Philip Chang, P.E.  
Florida License No. 57410

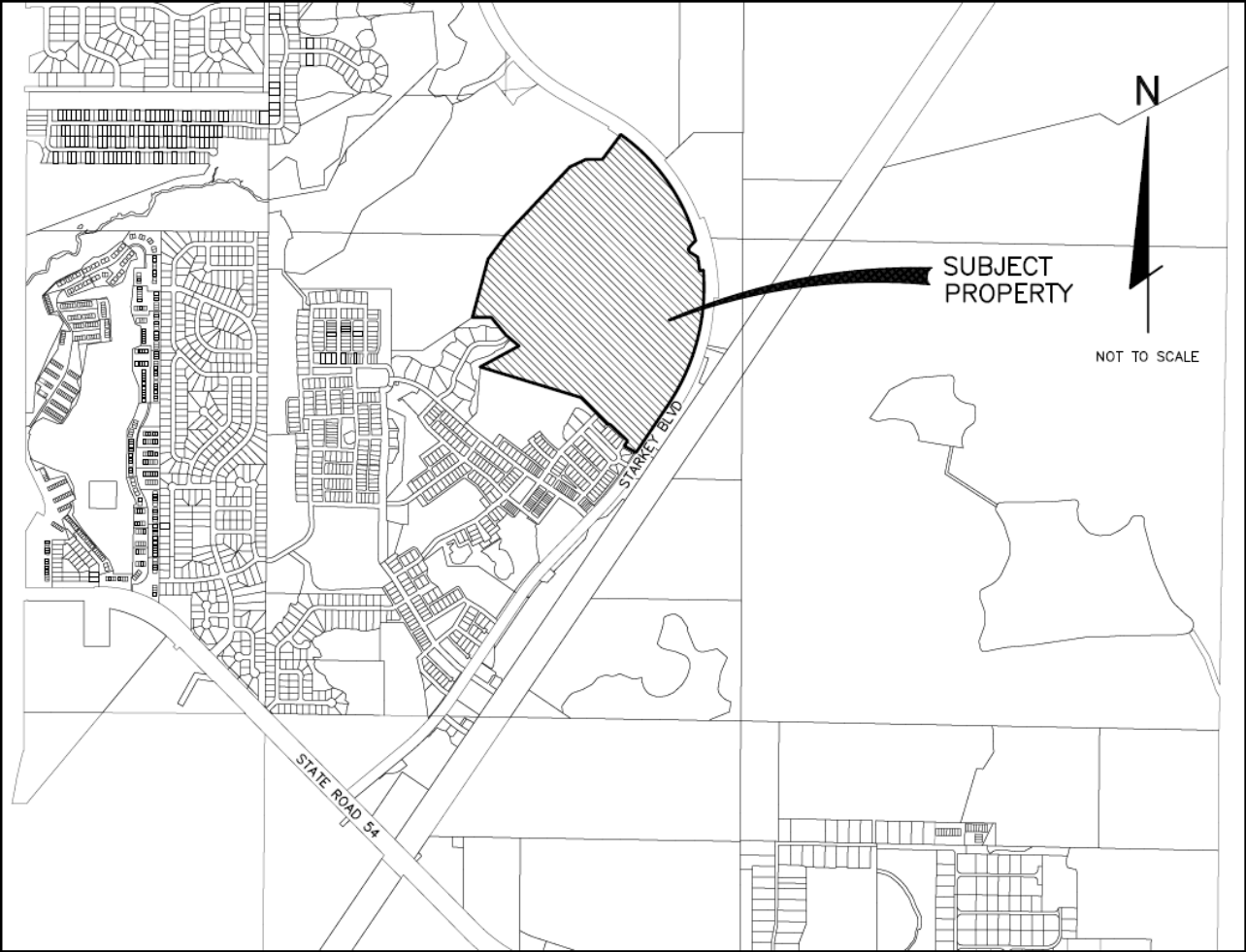


The seal is circular with a double-line border. The outer ring contains the text "PHILIP CHANG" at the top, "LICENSE" at the bottom, and "STATE OF FLORIDA" at the very bottom. The inner ring contains "PROFESSIONAL ENGINEER". In the center, it says "No 57410" with two small stars on either side.

**APPENDIX A      VICINITY MAP AND LEGAL DESCRIPTION OF NEIGHBORHOOD 4**



### VICINITY MAP



## LEGAL DESCRIPTION

A parcel of land being a portion of Sections 18 and 19, Township 26 South, Range 17 East, Pasco County, Florida, being further described as follows:

Commence at the Southwest corner of the Northeast 1/4 of Section 19, Township 26 South, Range 17 East, Pasco County, Florida, same also being the Northwest corner of the Southeast 1/4 of said Section 19; thence North 00°17'21" East, along the West line of said Northeast 1/4 of Section 19 (being the basis of bearings for this legal description), for 1,091.03 feet to the POINT OF BEGINNING; thence leaving said West line of the Northeast 1/4 of Section 19, North 73°38'34" West, for 297.88 feet to the Easterly line of Longleaf Neighborhood Two Phase One and Phase Three as recorded in Plat Book 40, Pages 16 through 26 of the Public Records of Pasco County, Florida; thence the following four (4) courses along said Easterly line of Longleaf Neighborhood Two Phase One and Phase Three; (1) thence North 62°07'26" East, for 483.97 feet; (2) thence North 49°48'25" West, for 185.24 feet; (3) thence North 38°58'05" West, for 254.67 feet; (4) thence South 90°00'00" West, for 206.09 feet; thence leaving said Easterly line of Longleaf Neighborhood Two Phase One and Phase Three, North 14°57'29" East, for 660.56 feet; thence North 36°05'43" East, for 344.65 feet to the Northwest corner of said Northeast 1/4 of Section 19; thence North 43°27'13" East, for 1,027.91 feet; thence North 65°11'58" East, for 196.83 feet; thence South 89°59'55" East, for 180.62 feet; thence North 36°47'04" East, for 312.99 feet to the point of intersection with the Westerly Right-of-Way line of Starkey Boulevard, according to Official Records Book 5486, page 1737 of the Public Records of Pasco County, Florida; thence the following ten (10) courses along said Westerly Right-of-Way line of Starkey Boulevard; (1) thence North 35°18'58" East, for 25.00 feet to the point of intersection with a non-tangent curve, concave Southwesterly; (2) thence Southeasterly along the arc of said curve, from a radial bearing of North 35°18'58" East, having a radius of 2,140.00 feet, a central angle of 38°46'44", an arc length of 1,448.39 feet, and a chord bearing South 35°17'40" East for 1,420.91 feet to the point of intersection with a non-tangent line; (3) thence South 74°05'42" West, for 26.60 feet; (4) thence South 43°33'57" West, for 103.11 feet; (5) thence South 01°56'59" East, for 39.41 feet; (6) thence South 57°17'25" East, for 116.97 feet to the point of intersection with a non-tangent curve, concave Westerly; (7) thence Southerly along the arc of said curve, from a radial bearing of North 78°58'05" East, having a radius of 2,100.00 feet, a central angle of 04°05'10", an arc length of 149.76 feet, and a chord bearing South 08°59'20" East for 149.73 feet to the point of intersection with a non-tangent line; (8) thence North 83°03'15" East, for 40.00 feet to the point of intersection with a non-tangent curve, concave Westerly; (9) thence Southwesterly along the arc of said curve, from a radial bearing of North 83°03'15" East, having a radius of 2,140.00 feet, a central angle of 41°04'52", an arc length of 1,534.38 feet, and a chord bearing South 13°35'41" West for 1,501.72 feet to the point of tangent; (10) thence South 34°08'06" West, for 651.56 feet; thence leaving said Westerly Right-of-Way line of Starkey Boulevard, North 60°59'56" West, for 150.61 feet; thence North 34°08'06" East, for 65.73 feet; thence North 47°33'45" West, for 259.06 feet; thence North 74°18'12" West, for 39.98 feet; thence North 45°12'56" West, for 403.84 feet; thence North 73°38'34" West, for 868.50 feet to the POINT OF BEGINNING.

Together with a non-exclusive, temporary easement for the hauling of fill dirt by truck for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, more particularly described in that Agreement for Partial Temporary Assignment of Easement for Hauling Fill Dirt recorded December 7, 2016 in Official Records Book 9469, Page 713, of the Public Records of Pasco County, Florida.

AND

Together with a non-exclusive, temporary easement for the hauling of fill dirt by truck for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, more particularly described in that temporary Fill Dirt Haul Route Easement Agreement recorded December 7, 2016 in Official Records Book 9469, Page 722, of the Public Records of Pasco County, Florida.

AND

Together with a non-exclusive, temporary easement for the purpose of excavation and removal of fill dirt for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, as more particularly described in that Fill Dirt Excavation Easement Agreement recorded December 7, 2016 in Official Records Book 9469, Page 730, of the Public Records of Pasco County, Florida.

**APPENDIX B      MPUD PLANS**


## RZ-7197 MPUD AMENDMENT

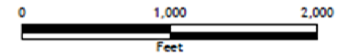
PORTION OF:  
SECS 18,19, & 30, T26S, R17E

LONGLEAF CDD HOLDINGS, LLC  
5680 W. CYPRESS ST., STE A  
TAMPA, FL 33607

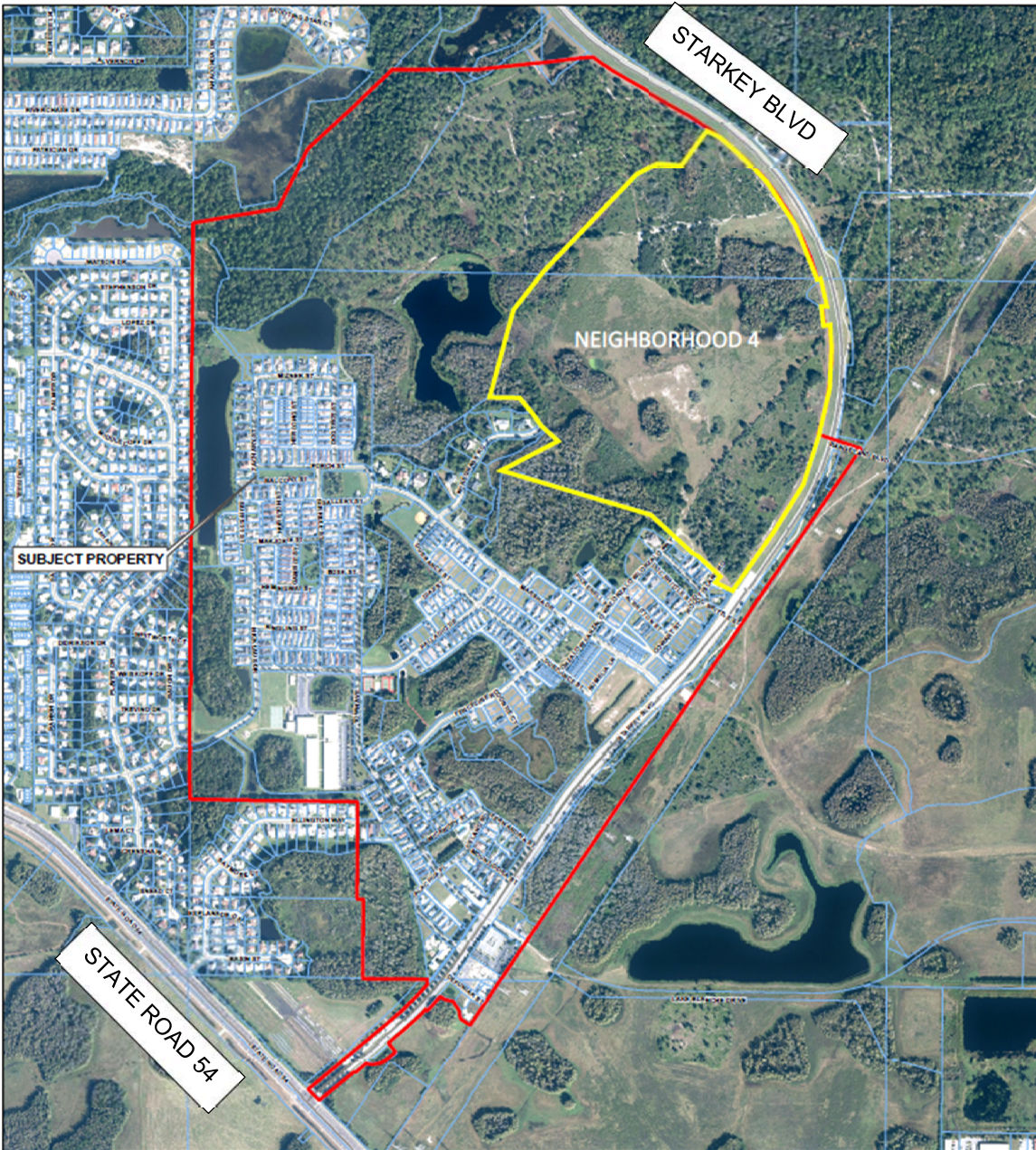
PHYSICAL LOCATION:  
NW SIDE OF STARKEY BLVD AND  
MARICOPA BLVD

TAZ-199  
COMMISSION DISTRICT: 4

 SUBJECT PROPERTY



D:\Work Order\MXD\Zoning\RZ-7197\RZ-7197Aerial.mxd alkuoria 3/14/2016



**APPENDIX C            CONSTRUCTION COST ESTIMATE OF PUBLIC IMPROVEMENTS  
AND COMMUNITY FACILITIES**

LONGLEAF NEIGHBORHOOD 4

Description	Total Estimated Budget
Engineering Design, Permitting, Surveying, Testing	\$1,301,920
Storm Water Management	\$7,601,330
Roads	\$5,016,895
Potable Water	\$573,935
Sanitary Sewer	\$1,538,920
Reclaimed Water	\$635,160
Dry Utilities Trenching	\$439,240
Recreational Amenity	\$700,000
Landscaping/Irrigation/Hardscape/Recreation	\$650,000
Permit and Other Fees	\$1,096,125
Contingency	\$1,477,695
Total	\$21,031,220

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Longleaf Community  
Development District

Pasco County, FL

Supplemental Engineer's  
Report

Neighborhood 4 –  
Assessment Area Two

*Prepared by:*

BGE, Inc.  
5426 Bay Center Dr., Suite 100  
Tampa, Florida 33609  
[www.bgeinc.com](http://www.bgeinc.com)

SEPTEMBER 10, 2024

© BGE, Inc 2024  
BGE Project #: 00013677-00



## **1.0 INTRODUCTION**

Neighborhood 4 (“Neighborhood 4”) of the Longleaf Community Development District (“the District”) encompasses approximately 125.5 acres in Pasco County, Florida. Neighborhood 4 is located within Sections 18 and 19, Township 26 South, Range 17 East. It is the remaining vacant phase of the District which has five (5) phases and encompasses approximately 562.562 acres within Sections 18, 19 and 30, Township 26 South, Range 17 East.

## **2.0 PURPOSE**

The District was established by Pasco County Ordinance #98-21 effective on October 5, 1998 for the purpose of constructing and/or acquiring, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The Supplemental Engineer's Report for Neighborhood 4 – Assessment Area One for Longleaf Community Development District, dated November 28, 2023, was prepared for the issuance of the District's Capital Improvement Revenue Bonds, Series 2024 (Neighborhood 4 - Assessment Area One) which were intended to fund the construction of a portion of the public improvements and community facilities within Phases 1 and 2 in Neighborhood 4 comprising 206 lots. The construction of these phases is ongoing and 127 lots in Phase 1 have been platted.

The purpose of this Supplemental Engineer's Report Neighborhood 4 – Assessment Area Two (this “Supplemental Report”) is to provide a description and estimated costs of the public improvements and community facilities within Neighborhood 4, Phases 3, 4 and 5, currently planned for 189 residential units (the “Neighborhood 4 - Assessment Area Two Project”).

## **3.0 THE DEVELOPER AND DEVELOPMENT**

The property owner and developer of Neighborhood 4, Hawk Longleaf, LLC, currently plans to develop 189 single-family units in Phases 3, 4 and 5 of Neighborhood 4 (“Neighborhood 4 – Assessment Area Two”) and will also include a recreational amenity, landscape, and hardscape improvements.

The possible major public improvements and community facilities include, but are not limited to, water management and control, water supply, sewer and wastewater management, roads, parks and recreation, and landscaping/hardscaping/irrigation.

See Appendix A for the Bond Coverage Map and legal descriptions of Neighborhood 4 – Assessment Area Two.



## **4.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES**

Detailed descriptions of the proposed public improvements and community facilities are provided in the following sections.

### **4.1 Water Management and Control**

The design criteria for the Neighborhood 4 water management and control are regulated by Pasco County and the Southwest Florida Water Management District (SWFWMD). The water management and control plan for Neighborhood 4 focuses on utilizing newly constructed ponds within upland areas and on-site wetlands for stormwater treatment and storage.

Any excavated soil from the ponds is anticipated to remain within the development for use in building public infrastructure including roadways, landscape berming, drainage pond bank fill requirements, utility trench backfill, and filling and grading of public property.

The primary objectives of the water management and control are:

1. To provide stormwater quality treatment.
2. To protect the development within the District from regulatory-defined rainfall events.
3. To maintain natural hydroperiods in the wetlands and connecting flow ways.
4. To ensure that adverse stormwater impacts do not occur upstream or downstream as a result of constructing the District improvements during regulatory-defined rainfall events.
5. To satisfactorily accommodate stormwater runoff from adjacent off-site areas which may naturally drain through the District.
6. To preserve the function of the flood plain storage during the 100-year storm event.

Water management and control systems will be designed in accordance with Pasco County technical standards. The District is anticipated to own and maintain these facilities.

### **4.2 Water Supply**

Neighborhood 4 is located within the Pasco County Utilities service area which will provide water supply for potable water service and fire protection to the property. The water supply improvements are anticipated to include 8" looped water mains which will supply potable water and service and fire protection to Neighborhood 4. Off-site improvements may be required to provide service to Neighborhood 4.



The water supply systems will be designed in accordance with Pasco County technical standards. It is anticipated that Pasco County will own and maintain these facilities.

#### **4.3 Sewer and Wastewater Management**

Neighborhood 4 is located within the Pasco County Utilities service area which will provide sewer and wastewater management service to Neighborhood 4. Reclaimed water will be the primary source of irrigation for the development. The sewer and wastewater management improvements are anticipated to include an 8" gravity sanitary sewer system within the road rights of way and pumping stations that will connect to an existing force main located east of Neighborhood 4. Off-site improvements may be required to provide service to Neighborhood 4.

All sanitary sewer, wastewater management and reclaimed water facilities will be designed in accordance with Pasco County technical standards. It is anticipated that Pasco County will own and maintain these facilities.

#### **4.4 Roads**

Roads include the roadway asphalt, base, and subgrade, roadway curb and gutter, and sidewalks within rights of way abutting common areas. Improvements for the second access to Starkey Boulevard are also included.

All roads will be designed in accordance with Pasco County technical standards and are anticipated to be owned and maintained by the District.

#### **4.5 Parks and Recreation Facilities**

Two park areas and an 8-foot-wide pedestrian/bicycle trail are planned in Neighborhood 4 – Assessment Area Two and will be owned and maintained by the District. The park areas are planned to include a second mail kiosk, landscaping, sidewalks, benches and dog waste stations.

#### **4.6 Landscaping/Hardscape/Irrigation**

Community entry monumentation and landscape buffering and screening will be provided at several access points into Neighborhood 4 – Assessment Area Two. Irrigation will also be provided in the landscaped common areas.

It is anticipated that these improvements will be owned and maintained by the District.



#### **4.7 Professional Services and Permitting Fees**

Pasco County and SWFWMD impose fees for construction permits and plan reviews. These fees vary with the magnitude and size of the development. Additionally, engineering, surveying, and architecture services are needed for the subdivision, landscape, hardscape, and community amenity's design, permitting, and construction. As well, development/construction management services are required for the design, permitting, construction, and maintenance acceptance of the public improvements and community facilities.

Fees associated with performance and warranty financial securities covering Pasco County infrastructure may also be required.

These fees associated with public improvements may be funded by the District.

#### **5.0 PUBLIC IMPROVEMENTS AND COMMUNITY FACILITIES COSTS**

See Appendix B for the Construction Cost Estimate of Public Improvements and Community Facilities.



## 6.0 SUMMARY AND CONCLUSION


The District, as outlined above, is responsible for the functional development of the lands within the District and, except as noted above in this Supplemental Report, such public improvements and facilities are located within the boundary of the District.


The planning and design of Neighborhood 4 — Assessment Area Two will be in accordance with current governmental regulatory requirements.

Items of construction cost in this Supplemental Report are based on our review and analysis of the conceptual site plans for the development and recent costs expended in similar projects of nature and size. It is our professional opinion that the estimated infrastructure costs provided herein for the development are conservative to complete the construction of the Public Improvements and Community Facilities described herein. All such infrastructure costs are public improvements or community facilities as set forth in Section 190.012(1) and (2) of the Florida Statutes.

The estimate of the construction costs is only an estimate and not a guaranteed maximum cost. The estimated cost is based on historical unit prices or current prices being experienced for on-going and similar items of work in Pasco County. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to this inherent possibility for fluctuation in costs, the total final cost may be more or less than this estimate.

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

  
Philip Chang, P.E.  
Florida License No. 57410



# Appendix A

Bond Coverage Map and Legal Description of  
Neighborhood 4 – Assessment Area Two

Longleaf  
Community Development District  
Neighborhood 4

Boundary Map



2024A AA2 Bonds  
189 Lots



2024 AA1 Bonds  
206 Lots



# SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

## LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN SECTION 18 & 19, TOWNSHIP 26 SOUTH, RANGE 17 EAST, PASCO COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF LONGLEAF NEIGHBORHOOD 4 PHASE 1, AS RECORDED IN PLAT BOOK 95, PAGE 127 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE RUN ALONG THE NORTHERN BOUNDARY OF LONGLEAF NEIGHBORHOOD THREE, AS RECORDED IN PLAT BOOK 56, PAGE 127 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA, NORTH 73°38'34" WEST, A DISTANCE OF 520.94 FEET; THENCE RUN ALONG THE EASTERLY BOUNDARY OF LONGLEAF NEIGHBORHOOD TWO PHASE ONE AND PHASE THREE, AS RECORDED IN PLAT BOOK 40, PAGE 17 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA THE FOLLOWING FOUR (4) COURSES: (1) NORTH 62°07'26" EAST, A DISTANCE OF 483.97 FEET; (2) NORTH 49°48'25" WEST, A DISTANCE OF 185.24 FEET; (3) NORTH 38°58'05" WEST, A DISTANCE OF 254.67 FEET; (4) WEST, A DISTANCE OF 206.09 FEET; THENCE RUN ALONG THE EASTERN BOUNDARY OF WOODLANDS AT LONGLEAF, AS RECORDED IN PLAT BOOK 75, PAGE 35 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA, THE FOLLOWING SIX (6) COURSES: (1) NORTH 14°57'29" EAST, A DISTANCE OF 660.56 FEET; (2) NORTH 36°05'43" EAST, A DISTANCE OF 344.65 FEET; (3) NORTH 43°27'13" EAST, A DISTANCE OF 1,027.91 FEET; (4) NORTH 65°11'58" EAST, A DISTANCE OF 196.83 FEET; (5) SOUTH 89°59'55" EAST, A DISTANCE OF 180.62 FEET; (6) NORTH 36°47'04" EAST, A DISTANCE OF 312.99 FEET; THENCE NORTH 35°18'58" EAST, A DISTANCE OF 25.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF STARKEY BOULEVARD, AS RECORDED IN OFFICIAL RECORDS BOOK 5486, PAGE 1737, OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA AND A TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2,140.00 FEET AND A CHORD WHICH BEARS SOUTH 37°41'44" EAST AND A DISTANCE OF 1,250.51 FEET, THENCE ALONG THE ARC OF SAID CURVE TO THE RIGHT AND SAID RIGHT OF WAY A DISTANCE OF 1269.02 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY, NORTH 40°45'51" WEST, A DISTANCE OF 34.77 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 25.00 FEET AND A CHORD WHICH BEARS NORTH 51°33'53" WEST, A DISTANCE 9.37 FEET THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 9.43 FEET; THENCE NORTH 62°21'54" WEST, A DISTANCE OF 81.88 FEET; THENCE NORTH 75°43'03" WEST, A DISTANCE OF 167.21 FEET; THENCE NORTH 81°35'20" WEST, A DISTANCE OF 90.31 FEET; THENCE SOUTH 88°33'25" WEST, A DISTANCE OF 63.22 FEET; THENCE NORTH 59°50'16" WEST, A DISTANCE OF 83.43 FEET

CONTINUED ON SHEET 2

**Harry B Rogers III**  
2024.08.28  
'00'04- 15:13:13



*Harry B. Rogers III* 08/28/2024  
HARRY B. ROGERS III, PSM DATE  
FLORIDA PROFESSIONAL SURVEYOR AND MAPPER NO. 6418  
FOR HAMILTON ENGINEERING AND SURVEYING, LLC  
CERTIFICATE OF AUTHORIZATION NO. LB 8405

INFORMATION NOT COMPLETE  
WITHOUT ALL SHEETS  
NOT VALID WITHOUT THE SIGNATURE AND THE  
ORIGINAL RAISED SEAL FOR DIGITAL SIGNATURE OF  
A FLORIDA PROFESSIONAL SURVEYOR & MAPPER

LB #8405 CA #8474

**HAMILTON**  
ENGINEERING & SURVEYING, LLC  
www.hamiltoneng.com

3409 W LEMON ST TAMPA, FL 33609 TEL: 813.250.3535	2400 N FORSYTH RD ORLANDO, FL 32807 TEL: 407.362.9929	8340 CONSUMER CIR SARASOTA, FL 32807 TEL: 941.377.9176
---------------------------------------------------------	-------------------------------------------------------------	--------------------------------------------------------------

## LONGLEAF PHASES 3-5 CDD BOND

SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>	SHEET: <b>1 OF 4</b>
--------------------------------------------	---------------------------------	-------------------------	----------------------------	-------------------------

# SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

**LEGAL DESCRIPTION (CONTINUED):**

TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 25.00 FEET AND A CHORD WHICH BEARS NORTH 69°23'23" WEST, A DISTANCE 8.30 FEET; THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 8.34 FEET; THENCE NORTH 78°56'31" WEST, A DISTANCE OF 57.65 FEET; THENCE NORTH 85°45'14" WEST, A DISTANCE OF 43.43 FEET; THENCE SOUTH 89°57'54" WEST, A DISTANCE OF 43.71 FEET; THENCE SOUTH 59°49'58" WEST, A DISTANCE OF 38.48 FEET; THENCE SOUTH 39°34'45" WEST, A DISTANCE OF 58.38 FEET; THENCE SOUTH 42°21'45" WEST, A DISTANCE OF 60.07 FEET; THENCE SOUTH 39°30'00" WEST, A DISTANCE OF 180.00 FEET; THENCE SOUTH 34°44'11" WEST, A DISTANCE OF 60.21 FEET; THENCE SOUTH 38°38'37" WEST, A DISTANCE OF 54.34 FEET; THENCE SOUTH 11°50'53" WEST, A DISTANCE OF 42.26 FEET; THENCE SOUTH 56°37'27" WEST, A DISTANCE OF 11.25 FEET; THENCE SOUTH 07°00'00" EAST, A DISTANCE OF 50.00 FEET; THENCE SOUTH 70°37'27" EAST, A DISTANCE OF 11.25 FEET; THENCE SOUTH 07°00'00" EAST, A DISTANCE OF 120.00 FEET; THENCE SOUTH 85°05'11" EAST, A DISTANCE OF 28.89 FEET; TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 15.00 FEET AND A CHORD WHICH BEARS SOUTH 62°04'46" EAST AND A DISTANCE OF 11.78 FEET; THENCE ALONG SAID CURVE TO THE RIGHT A DISTANCE OF 12.10 FEET; THENCE SOUTH 38°57'44" EAST, A DISTANCE OF 90.84 FEET; TO A POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 30.00 FEET AND A CHORD WHICH BEARS SOUTH 58°28'52" EAST, A DISTANCE 20.05 FEET; THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 20.44 FEET; THENCE SOUTH 78°00'00" EAST, A DISTANCE OF 114.07 FEET; THENCE SOUTH 12°00'00" WEST, A DISTANCE OF 145.00 FEET; THENCE SOUTH 78°00'00" EAST, A DISTANCE OF 60.60 FEET; THENCE SOUTH 12°00'00" WEST, A DISTANCE OF 453.00 FEET TO THE NORTHERN BOUNDARY OF SAID LONGLEAF NEIGHBORHOOD FOUR PHASE; THENCE RUN ALONG SAID BOUNDARY OF LONGLEAF NEIGHBORHOOD FOUR PHASE 1 THE FOLLOWING ELEVEN (11) COURSES: (1) SOUTH 12°00'00" WEST, A DISTANCE OF 5.50 FEET TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 10.00 FEET AND A CHORD WHICH BEARS SOUTH 57°00'00" WEST AND A DISTANCE OF 14.14 FEET; (2) ALONG SAID CURVE TO THE RIGHT A DISTANCE OF 21.53 FEET; (3) NORTH 78°00'00" WEST, A DISTANCE OF 197.88 FEET; (4) SOUTH 12°00'00" WEST, A DISTANCE OF 178.00 FEET; (5) NORTH 78°00'00" WEST, A DISTANCE OF 200.00 FEET; (6) NORTH 83°42'38" WEST, A DISTANCE OF 50.25 FEET; (7) NORTH 78°00'00" WEST, A DISTANCE OF 21.39 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 254.00 FEET AND A CHORD WHICH BEARS NORTH 53°48'36" WEST, A DISTANCE 208.16 FEET; (8) ALONG THE ARC OF SAID CURVE TO THE RIGHT, A DISTANCE OF 214.48 FEET; (9) NORTH 23°55'30" WEST, A DISTANCE OF 111.65 FEET; (10) SOUTH 46°21'20" WEST, A DISTANCE OF 228.20 FEET; (11) SOUTH 16°21'26" WEST, A DISTANCE OF 628.12 FEET; TO **THE POINT OF BEGINNING.**

CONTAINING 2,785,020.57 SQUARE FEET OR 63.94 ACRES, MORE OR LESS.

**LEGEND:**

- LB = LICENSED BUSINESS
- ORB = OFFICIAL RECORD BOOK
- PG = PAGE
- PB = PLAT BOOK
- POB = POINT OF BEGINNING
- POC = POINT OF COMMENCEMENT
- PSM = PROFESSIONAL SURVEYOR AND MAPPER

**BASIS OF BEARINGS**

BEARINGS SHOWN HEREON ARE GRID BASED ON THE FLORIDA WEST TRANSVERSE MERCATOR STATE PLAN COORDINATE SYSTEM NAD83 DATUM (2011 ADJUSTMENT). THE NORTHERN BOUNDARY OF LONGLEAF NEIGHBORHOOD THREE HAVING A BEARING OF NORTH 73°38'34"EAST.

INFORMATION NOT COMPLETE  
WITHOUT ALL SHEETS

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL FOR DIGITAL SIGNATURE OF A FLORIDA PROFESSIONAL SURVEYOR & MAPPER

LB #8405 CA #5474

HAMILTON

ENGINEERING & SURVEYING, LLC

www.HamiltonEngineering.us

3405 W LEMON ST  
TAMPA, FL 33609  
TEL: 813.250.3535

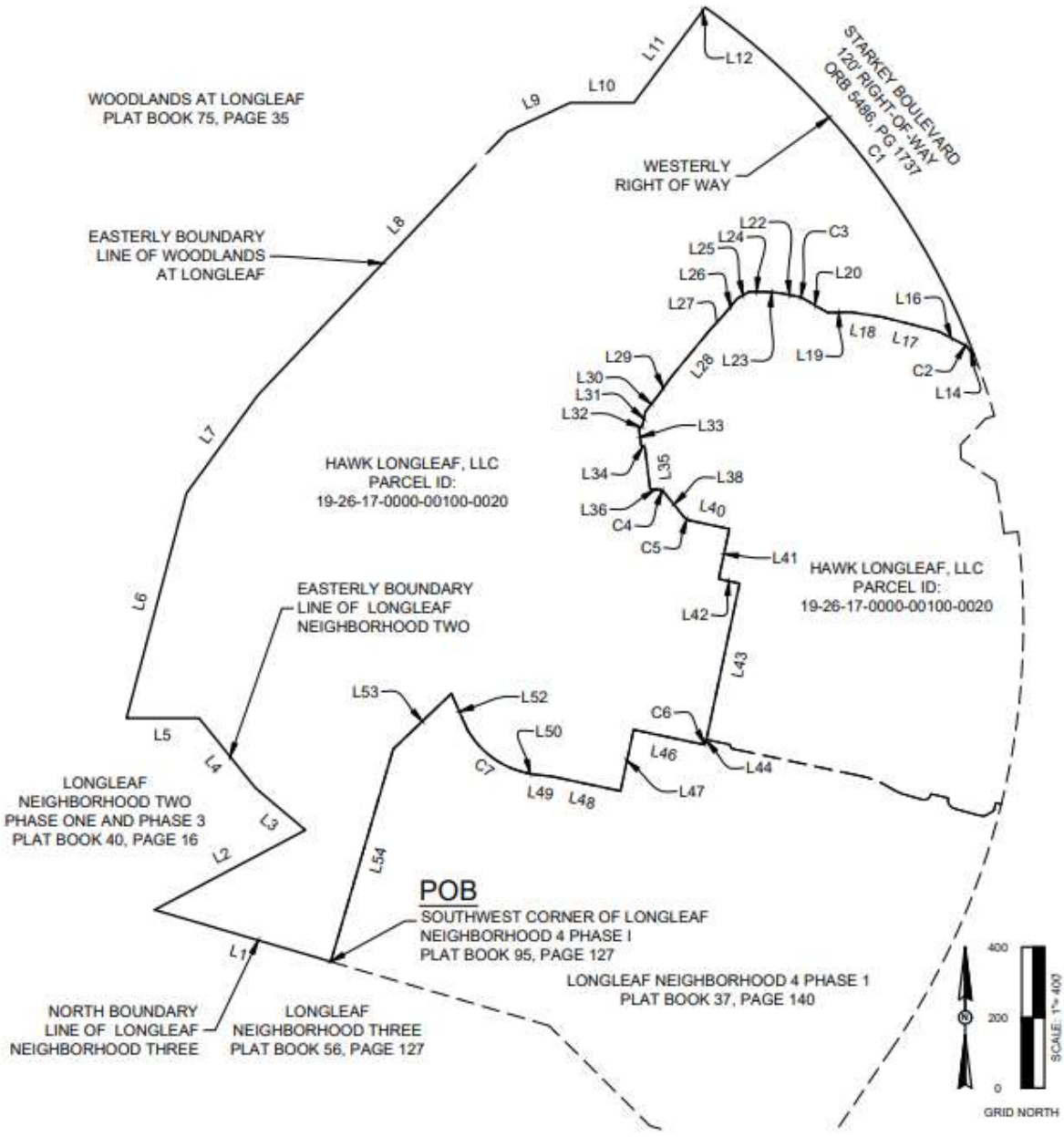
2400 N FORSYTH RD  
ORLANDO, FL 32807  
TEL: 407.362.5929

8340 CONSUMER CIR  
SARASOTA, FL 32807  
TEL: 941.377.9178

## LONGLEAF PHASES 3-5 CDD BOND

SEC TWP RING:	JOB NUMBER:	DRAWN BY:	DATE:	SHEET:
18 & 19/26S/17E	24HAM####	CTV	08/27/2024	1 OF 3

# SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"



INFORMATION NOT COMPLETE  
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3409 W LEMON ST TAMPA, FL 33609 TEL: 813.250.3535  
 2400 N FORSYTH RD ORLANDO, FL 32807 TEL: 407.362.5929  
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## LONGLEAF PHASES 3-5 CDD BOND

SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>
			SHEET: <b>3 OF 4</b>

\\hes417\2\4\04090 HAWK LONGLEAF LLC\LongLeaf NH4\SURV\Sketch And Description\Phase 3-5 CDD BOND\LONGLEAF PH 3-5 CDD BOND\_CV.dwg (SHEET 3) harryr Aug 28, 2024 - 3:04pm

## SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	520.94'	N 73° 38' 34" W
L2	483.97'	N 62° 07' 26" E
L3	185.24'	N 49° 48' 25" W
L4	254.67'	N 38° 58' 05" W
L5	206.09'	N 90° 00' 00" W
L6	660.56'	N 14° 57' 29" E
L7	344.65'	N 36° 05' 43" E
L8	1027.91'	N 43° 27' 13" E
L9	196.83'	N 65° 11' 58" E
L10	180.62'	S 89° 59' 55" E
L11	312.99'	N 36° 47' 04" E
L12	25.00'	N 35° 18' 58" E
L14	34.77'	N 40° 45' 51" W
L16	81.88'	N 62° 21' 54" W
L17	167.21'	N 75° 43' 03" W
L18	90.31'	N 81° 35' 20" W

LINE TABLE		
LINE #	LENGTH	DIRECTION
L19	63.22'	S 88° 33' 25" W
L20	83.43'	N 59° 50' 16" W
L22	57.65'	N 78° 56' 31" W
L23	43.43'	N 85° 45' 14" W
L24	43.71'	S 89° 57' 54" W
L25	38.48'	S 59° 49' 58" W
L26	58.38'	S 39° 34' 45" W
L27	60.07'	S 42° 21' 45" W
L28	180.00'	S 39° 30' 00" W
L29	60.21'	S 34° 44' 11" W
L30	54.34'	S 38° 38' 37" W
L31	42.26'	S 11° 50' 53" W
L32	11.25'	S 56° 37' 27" W
L33	50.00'	S 07° 00' 00" E
L34	11.25'	S 70° 37' 27" E
L35	120.00'	S 07° 00' 00" E

LINE TABLE		
LINE #	LENGTH	DIRECTION
L36	28.89'	S 85° 05' 11" E
L38	90.84'	S 38° 57' 44" E
L40	114.07'	S 78° 00' 00" E
L41	145.00'	S 12° 00' 00" W
L42	60.60'	S 78° 00' 00" E
L43	453.00'	S 12° 00' 00" W
L44	5.50'	S 12° 00' 00" W
L46	197.88'	N 78° 00' 00" W
L47	178.00'	S 12° 00' 00" W
L48	200.00'	N 78° 00' 00" W
L49	50.25'	N 83° 42' 38" W
L50	21.39'	N 78° 00' 00" W
L52	111.65'	N 23° 55' 30" W
L53	228.20'	S 46° 21' 20" W
L54	628.12'	S 16° 21' 26" W

CURVE TABLE					
CURVE #	RADIUS	CHORD BEARING	CHORD LENGTH	ARC LENGTH	DELTA
C1	2140.00'	S 37° 41' 44" E	1250.51'	1269.02'	33°58'35"
C2	25.00'	N 51° 33' 53" W	9.37'	9.43'	21°36'04"
C3	25.00'	N 69° 23' 23" W	8.30'	8.34'	19°06'15"
C4	15.00'	S 62° 04' 46" E	11.78'	12.10'	46°14'04"
C5	30.00'	S 58° 28' 52" E	20.05'	20.44'	39°02'16"
C6	10.00'	S 57° 00' 00" W	14.14'	15.71'	90°00'00"
C7	254.00'	N 53° 48' 36" W	208.16'	214.48'	48°22'48"

INFORMATION NOT COMPLETE  
WITHOUT ALL SHEETS



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### LONGLEAF PHASES 3-5 CDD BOND

SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>	SHEET: <b>4 OF 4</b>
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# Appendix B

Construction Cost Estimate of Public  
Improvements and Community Facilities

LONGLEAF NEIGHBORHOOD 4 – ASSESSMENT AREA TWO PROJECT

Description	Total Master Improvements	Total Subdivision Improvements	Total Combined Cost
Engineering Design, Permitting, Surveying	\$31,100	\$448,140	\$479,240
Storm Water Management	\$46,950	\$5,994,625	\$6,041,575
Roads	\$492,607	\$1,881,180	\$2,373,787
Potable Water		\$835,562	\$835,562
Sanitary Sewer		\$1,611,361	\$1,611,361
Reclaimed Water		\$684,205	\$684,205
Dry Utilities Trenching		\$210,168	\$210,168
Park Areas		\$145,000	\$145,000
Landscaping/Irrigation/Hardscape		\$430,000	\$430,000
Permit and Other Fees		\$518,805	\$518,805
<b>Total</b>	<b>\$570,657</b>	<b>\$12,759,046</b>	<b>\$13,329,703</b>

**APPENDIX B**  
**ASSESSMENT REPORT**

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LONGLEAF  
COMMUNITY DEVELOPMENT  
DISTRICT

MASTER ASSESSMENT  
METHODOLOGY REPORT  
FOR  
NEIGHBORHOOD

4

Report Date:

INFRAMARK

OCTOBER 10, 2023

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## I. INTRODUCTION

This Master Assessment Methodology Report for Neighborhood 4 (the “Master Report”) details the basis of the benefit allocation and assessment methodology to support the financing plan to complete the public infrastructure required within Neighborhood 4 of the Longleaf Community Development District (the “District”). The private assessable lands (“Assessable Property”) benefitting from the public infrastructure are generally described within Exhibit A of this Master Report and further described within the Master Engineer’s Report for Neighborhood 4, dated October 10, 2023 (the “Engineer’s Report”). The objective of this Master Report is to:

1. Identify the District’s Neighborhood 4 Capital Improvement Program (“N4 CIP”) for the project to be financed, constructed, and/or acquired by the District;
2. Determine a fair and equitable method of spreading the associated costs to the benefiting Assessable Property within Neighborhood 4 of the District pre- and post-development completion; and
3. Provide a basis for the placement of a lien on the Assessable Property within Neighborhood 4 of the District benefiting from the N4 CIP, as outlined by the Engineer’s Report.

The basis of benefit received by Assessable Property within Neighborhood 4 relates directly to the proposed N4 CIP. It is the District’s N4 CIP that will create the public infrastructure that enables Assessable Property within the District to be developed and improved under current allowable densities. The N4 CIP includes Storm Water Management, Roads, Potable Water Supply, Sanitary Sewer, Reclaimed Water, Dry Utilities Trenching, Recreational Amenity, Landscaping/Hardscaping/Irrigation, Engineering, Permitting and other related soft costs. The Engineer’s Report identified estimated costs to complete the N4 CIP, inclusive of associated “soft costs” such as legal/engineering services with contingencies to account for commodity and service market fluctuations. This Master Report will further address additional financing costs associated with funding the N4 CIP. Without the required improvements in the N4 CIP, the development of the Assessable Property within Neighborhood 4 could not be undertaken within the current development standards. The main objective of this Master Report is to establish a basis on which to quantify and allocate the special benefit provided by the N4 CIP proportionally to the Assessable Property within Neighborhood 4 of the District. A detailed allocation methodology and finance plan will be utilized to equitably distribute N4 CIP costs upon the Assessable Property within Neighborhood 4 of the District based upon the level of proportional benefit received.

This Master Report outlines the assignment of benefit, assessment methodology and financing structure for bonds to be issued by the District. As a result of the methodology application, the maximum long-term assessment associated with the current N4 CIP is identified. The District will issue Capital Improvement Revenue Bonds (the “Bonds”), in one or more series consisting of various amounts of principal debt and maturities to finance the construction and/or acquisition of all or a portion of the N4 CIP.

It is anticipated that the methodology consultant will prepare individual supplemental reports applying the allocation methodology contained herein for the imposition and collection of long-term special assessments on

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a first platted, first assigned basis for repayment of a specific series of Bonds. The methodology consultant may distribute supplemental reports in connection with updates and/or revisions to the finance plan. Such supplemental reports will be created to stipulate amended terms, interest rates, developer contributions if any, issuance costs and will detail the resulting changes in the level of funding allocated to the various trust accounts and subaccounts. The Bonds will be repaid from and secured by non-ad valorem assessments levied on those Assessable Properties benefiting from the public improvements within Neighborhood 4 of the District. Non-ad valorem assessments will be levied each year to provide the funding necessary to pay debt service on the Bonds and to fund operations and maintenance costs related to the capital improvements maintained by the District.

In summary, this Master Report will determine the benefit, apportionment and financing structure for the Bonds to be issued by the District in accordance with Chapters 170, 190 and 197, Florida Statutes, as amended, to establish a basis for the levying and collecting of special assessments based on the benefits received and is consistent with our understanding and experience with case law on this subject.

## II. DEFINED TERMS

“Assessable Property:” – All private property within Neighborhood 4 of the District that receives a special benefit from the N4 CIP.

“Capital Improvement Program” (N4 CIP) – The public infrastructure development program as outlined by the Engineer's Report.

“Developer” –Hawk Longleaf, LLC, a Delaware limited liability company.

“Development Plan” – The end-use configuration of Platted Units and Product Types for Unplatted Parcels within Neighborhood 4 the District, Table 2.

“District” – Longleaf Community Development District, Pasco County Florida.

“Engineer's Report” –Master Engineer's Report for Neighborhood 4, dated October 10, 2023.

“Equivalent Assessment Unit” (EAU) – A weighted value assigned to dissimilar residential lot product types to differentiate the assignment of benefit and lien values.

“Maximum Assessments” – The maximum amount of special assessments and liens to be levied against benefiting assessable properties.

“Neighborhood 4” – Properties within the District, described within Exhibit B of this Master Report.

“Platted Units” – Private property subdivided as a portion of gross acreage by virtue of the platting process.

“Product Type” – Classification assigned by the District Engineer to dissimilar lot products for the development of the vertical construction. Determined in part as to differentiated sizes, setbacks and other factors.

“Unplatted Parcels” – Gross acreage intended for subdivision and platting pursuant to the Development Plan.

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### **III. DISTRICT OVERVIEW**

The Longleaf Community Development District (“the District”) was established by Pasco County Ordinance #98-21 effective on September 29, 1998 to construct and/or acquire, maintaining, and operating all or a portion of the public improvements and community facilities within the District. The purpose of this Master Report is to provide a description and estimated costs of the public improvements and community facilities being planned within Neighborhood 4.

Neighborhood 4 of the District encompasses approximately 125.5 acres in Pasco County, Florida. Neighborhood 4 is located within Sections 18 and 19, Township 26 South, Range 17 East. It is the remaining vacant phase of the District which has five (5) phases and encompasses approximately 562.562 acres within Sections 18, 19, and 30, Township 26 South, Range 17 East. See Exhibit B for the Legal Description of Neighborhood 4 of the District.

The Developer currently plans to develop a total of 395 residential units within Neighborhood 4. The development will also include a recreational amenity, and landscape and hardscape improvements. The possible major public improvements and community facilities include but are not limited to, water management and control, water supply, sewer and wastewater management, roads, parks and recreation, and landscaping/hardscaping/irrigation.

### **IV. CAPITAL IMPROVEMENT PROGRAM**

The District and Developer are undertaking the responsibility of providing the public infrastructure necessary to develop Neighborhood 4. As designed, the N4 CIP is an integrated system of facilities. Each infrastructure facility works as a system to provide special benefit to Assessable Property, i.e.: all benefiting landowners of Assessable Property benefit the same from the first few feet of infrastructure as they do from the last few feet. The N4 CIP costs within Table 1 of this Master Report reflect costs as further detailed within the Engineer’s Report, which costs are exclusive of any financing-related costs.

### **V. FINANCING INFORMATION**

The District intends to finance only a portion of the N4 CIP through the issuance of Bonds; however, this report assumes the financing of 100% of the improvements to identify the full benefit and potential. As the Bonds will be issued in one or more series, the Bonds will be sized at an amount rounded to the nearest \$5,000 and will include items such as debt service reserves, capitalized interest, and issuance costs.

For purposes of this Master Report, conservative allowances have been made for a debt service reserve, capitalized interest, issuance costs, and collection costs as shown in Table 5. The methodology consultant will issue supplemental report(s) that outline the provisions specific to each bond issue with the application of the assessment methodology contained herein. The supplemental report(s) will detail the negotiated terms, interest rates, and costs associated with each series of Bonds representing the market rate at that point in time. The supplemental reports will outline any Developer contributions towards the completion of the N4 CIP applied to prepay any assessments on any one or collective Assessable Properties within Neighborhood 4 of the District. The supplemental report(s) will also detail the level of funding allocated to the construction/acquisition account, the debt service reserve account, the underwriter's discount, issuance, and collection costs. Additionally, the supplemental report(s) will apply the principles set forth in this Master Report to determine the specific assessments required to repay the Bonds.

## **VI. ALLOCATION METHODOLOGY**

The N4 CIP benefits all Assessable Property within Neighborhood 4 of the District proportionally. The level of relative benefit can be compared through the use of defining “equivalent” units of measurement by product type to compare dissimilar development product types. This is accomplished through determining an estimate of the relationship between the product types, based on a relative benefit received by each product type from the N4 CIP. The use of Equivalent Assessment Unit (EAU) methodologies is well established as a fair and reasonable proxy for estimating the benefit received by privately benefiting properties. One (1) EAU has been assigned to the 50' residential use product type as a baseline, with a proportional increase or decrease relative to other planned residential product types and sizes. Table 2 outlines EAUs assigned for residential product types under the current Development Plan. If future assessable property is added or product types are contemplated, this Master Report will be amended to reflect such change.

The method of benefit allocation is based on the special benefit received from infrastructure improvements relative to the benefiting Assessable Property by use and size in comparison to other Assessable Property within Neighborhood 4 of the District. According to F.S. 170.02, the methodology by which special assessments are allocated to specifically benefited property must be determined and adopted by the governing body of the District. This alone gives the District latitude in determining how special assessments will be allocated to specific Assessable Properties. The N4 CIP benefit and special assessment allocation rationale is detailed herein and provides a mechanism by which these costs, based on a determination of the estimated level of benefit conferred by the N4 CIP, are apportioned to the Assessable Property within Neighborhood 4 of the District for levy and collection. The allocation of benefits and Maximum Assessments associated with the N4 CIP are demonstrated in Table 3 through Table 6. The Developer may choose to pay down or contribute infrastructure on a portion or all of the long-term assessments as evaluated on a per-parcel basis, thereby reducing the annual debt service assessment associated with any series of Bonds.

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## VII. DETERMINATION OF SPECIAL ASSESSMENT

There are three main requirements for valid special assessments. The first requirement demands that the improvements to benefited properties, for which special assessments are levied, be implemented for an approved and assessable purpose (F.S. 170.01). As a second requirement, special assessments can only be levied on those properties especially benefiting from the improvements (F.S. 170.01). Thirdly, the special assessments allocated to each benefited property cannot exceed the proportional benefit to each parcel (F.S. 170.02).

The District's N4 CIP contains a "system of improvements" including the funding, construction and/or acquisition of Storm Water Management, Roads, Potable Water Supply, Sanitary Sewer, Reclaimed Water, Dry Utilities Trenching, Recreational Amenity, Landscaping/Hardscaping/Irrigation, Engineering, Permitting and other related soft costs, all of which are considered to be for an approved and assessable purpose (F.S. 170.01) which satisfies the first requirement for a valid special assessment, as described above.

Additionally, the improvements will result in all Assessable Properties within Neighborhood 4 of the District receiving a direct and specific benefit, thereby making those properties legally subject to assessments (F.S. 170.01), which satisfies the second requirement, above. Finally, the specific benefit to the Assessable Property is equal to or exceeds the cost of the assessments levied on the Assessable Property (F.S. 170.02), which satisfies the third requirement above.

The first requirement for determining the validity of a special assessment is plainly demonstrable; eligible improvements are found within the list provided in F.S. 170.01. However, the second and third requirements for a valid special assessment require a more analytical examination. As required by F.S. 170.02, and described in the preceding section entitled "Allocation Methodology," this approach involves identifying and assigning value to specific benefits being conferred upon the various Assessable Property, while confirming the value of these benefits exceed the cost of providing the improvements. These special benefits include, but are not limited to, the added use of the property, added enjoyment of the property, probability of decreased insurance premiums and the probability of increased marketability and value of the property.

The determination has been made that the duty to pay the non-ad valorem special assessments is valid based on the special benefits imparted upon the various Assessable Property. These benefits are derived from the acquisition and/or construction of the District's N4 CIP. The allocation of responsibility for payment of the Bonds has been apportioned according to reasonable estimates of the special benefits provided consistent with each land use category. Accordingly, no acre or parcel of property within Neighborhood 4 of the District will be assessed for the payment of any non-ad valorem special assessment greater than the determined special benefit particular to that parcel within Neighborhood 4 of the District.

Property within Neighborhood 4 of the District that currently is not, or upon future development, will not be subject to the special assessments include publicly owned (State/County/City/CDD) tax-exempt parcels such as: lift stations, road rights-of-way, waterway management systems, common areas, and certain lands/amenities

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owned by HOA(s). To the extent it is later determined that a property no longer qualifies for an exemption, assessments will be apportioned and levied based on an EAU factor proportionate to acreage density as demonstrated in other use EAU assignments.

#### VIII. ASSIGNMENT OF ASSESSMENTS

This section sets out the manner in which special assessments will be assigned to the Assessable Property within Neighborhood 4 of the District. In general, the assessments will initially be assigned on a gross acreage basis, gradually absorbed and assigned on a first platted, first assigned priority.

It is useful to consider three distinct states or conditions of development within a community. The initial condition is the “undeveloped state.” At this point the infrastructure may or may not be installed but none of the units in the development program have been platted. This condition exists when the infrastructure program is financed prior to any development. While the land is in an “undeveloped state,” special assessments will be assigned on an equal acre basis across all the gross acreage within Neighborhood 4, relative to the special assessment lien levied as identified within Exhibit “A” of this Master Report. Debt will not be solely assigned to properties within each phase that have development rights but will be assigned to undevelopable properties to ensure the integrity of development plans, rights, and entitlements.

The second condition is “on-going development”. At this point, if not already in place, the installation of infrastructure has begun. Additionally, the development program has started to take shape. As lands subject to special assessments within each phase are platted and fully developed, they are assigned specific assessments in relation to the estimated benefit that each unit receives from the N4 CIP, with the balance of the debt assigned on a per acre basis as described in the preceding paragraph. This generally describes the flow for a “first platted, first assigned basis” of assessments against product types per parcel. Therefore each fully-developed, platted unit would be assigned a par debt assessment as set forth in Table 6. It is not contemplated that any unassigned debt would remain once all of the lots associated with the improvements are platted and fully developed. If such a condition was to occur; the true-up provisions in section IX of this Master Report would be applicable.

The third condition is the “completed development state.” In this condition, the entire development program for the District has been platted and the total par value of the Bonds has been assigned as specific assessments to each of the platted lots within each phase of the District based on the methodology described herein.

#### IX. TRUE-UP MODIFICATION

During the construction period of phases of development, it is possible that the number of residential units built may change, thereby necessitating a modification to the per unit allocation of the assessment principal. In order to ensure the District’s debt does not build up on the unplatted land, the District shall apply the following test as outlined within this “true up methodology”.



The debt per acre remaining on the unplatted developable land within Neighborhood 4 of the District is never allowed to increase above its ceiling debt per acre. The ceiling level of debt per acre is calculated as the total amount of debt for each Bond issue divided by the number of developable acres encumbered by those Bonds. Thus, every time the test is applied, the debt encumbering the remaining un-platted developable acres must remain equal to, or lower than the ceiling level of debt per acre as established by Exhibit A.

True-up tests shall be performed upon the acceptance of each recorded plat submitted to subdivide developed lands within Neighborhood 4 of the District. If upon the completion of any true-up analyses, it is found that the debt per gross acre exceeds the established maximum ceiling debt per acre, or there is not sufficient development potential in the remaining acreage within Neighborhood 4 of the District to produce the densities required to adequately service Bond debt, the District would require the immediate remittance of a density reduction payment, plus accrued interest as applicable in an amount sufficient to reduce the remaining debt per acre to the ceiling amount per acre, thus allow the remaining gross acreage to adequately service bond debt upon planned development. The final test shall be applied at the platting of 100% of the development units within each phase of Neighborhood 4 of the District. Should additional coverage be identified at or prior to the final true-up as a result of changes in the development plan, the District will reserve the right to either use excess to issue more debt or pay down the existing principal amounts of outstanding Bonds proportionally.

True-up payment provisions may be suspended if the landowner can demonstrate, to the reasonable satisfaction of the District and bondholders, that there is sufficient development potential in the remaining acreage within Neighborhood 4 of the District to produce the densities required to adequately service Bond debt. The Developer and District will enter into a true-up agreement to evidence the obligations described in this Section IX. All assessments levied run with the land and it is the responsibility of the District to enforce the true-up provisions and collect any required true-up payments due. The District will not release any liens on property for which true-up payments are due, until provision for such payment has been satisfactorily made.

#### **X. ADDITIONAL STIPULATIONS**

Inframark was retained by the District to prepare a methodology to fairly allocate the special assessments related to the District's N4 CIP. Certain financing, development, and engineering data was provided by members of District Staff and/or the Developer. The allocation methodology described herein was based on information provided by those professionals. Inframark makes no representations regarding said information transactions beyond the restatement of the factual information necessary for the compilation of this Master Report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

Inframark does not represent the District as a Municipal Advisor or Securities Broker nor is Inframark registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as

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amended. Similarly, Inframark does not provide the District with financial advisory services or offer investment advice in any form.

TABLE 1

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT	
N4 CIP COST SUMMARY	
<u>DESCRIPTION</u>	<u>TOTAL</u>
Engineering Design, Permitting, Surveying, Testing	\$1,301,920
Storm Water Management	\$7,601,330
Roads	\$5,016,895
Potable Water	\$573,935
Sanitary Sewer	\$1,538,920
Reclaimed Water	\$635,160
Dry Utilities Trenching	\$439,240
Recreational Amenity	\$700,000
Landscape, Irrigation, Hardscape, Recreation	\$650,000
Permit and Other Fees	\$1,096,125
Contingency	\$1,477,695
Total	<u>\$21,031,220</u>

\* See Master Engineer Report for Neighborhood 4, dated October 10, 2023 for further detail.

TABLE 2

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT			
PROJECT STATISTICS - N4 EAU ASSIGNMENTS			
PRODUCT	LOT COUNT	PER UNIT	TOTAL EAUS
M-F 20	118	0.40	47.20
Single Family 34	146	0.68	99.28
Single Family 50	92	1.00	92.00
Single Family 60	39	1.20	46.80
<b>TOTAL</b>	<b>395</b>		<b>285.28</b>

Notations:  
 (1) Product Type  
 (2) Equivalent Assessment Unit

TABLE 3

N4 DEVELOPMENT PROGRAM COST/ N4 CIP NET BENEFIT ANALYSIS	
INFRASTRUCTURE CIP COSTS	\$21,031,220
EAUs	285.28
<b>TOTAL CIP COST/BENEFIT PER EAU<sup>(1)</sup></b>	<b>\$73,721</b>

Notations:  
 1) Benefit is equal to or greater than cost as assigned per Equivalent Assessment Unit ("EAU") as described above.

TABLE 4

N4 DEVELOPMENT PROGRAM *NET* COST/BENEFIT ANALYSIS					
PRODUCT TYPE	EAU FACTOR	PRODUCT COUNT	EAUs	NET BENEFIT	
				PER PRODUCT TYPE	PER PRODUCT UNIT
M-F 20	0.40	118	47.20	\$3,479,647	\$29,489
Single Family 34	0.68	146	99.28	\$7,319,053	\$50,131
Single Family 50	1.00	92	92.00	\$6,782,362	\$73,721
Single Family 60	1.20	39	46.80	\$3,450,158	\$88,466
<b>Total</b>		<b>395</b>	<b>285.28</b>	<b>\$21,031,220</b>	

Notations:  
 1) Table 4 determines only the benefit of construction cost, net of finance and other related costs.

TABLE 5

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT N4 CDD BOND ISSUE/MAXIMUM ISSUANCE		
Coupon Rate <sup>(1)</sup>		7.50%
Term (Years)		33
Principal Amortization Installments		30
<b><u>ISSUE SIZE</u></b>		<b>\$26,000,000</b>
Construction Fund		\$21,031,220
Capitalized Interest (Months) <sup>(2)</sup>	12	\$1,950,000
Debt Service Reserve Fund	100%	\$2,201,452
Underwriter's Discount	2.00%	\$520,000
Cost of Issuance		\$297,328
Rounding		\$0
<b><u>ANNUAL ASSESSMENT</u></b>		
Annual Debt Service (Principal plus Interest)		\$2,201,452
Collection Costs and Discounts @	6.00%	\$140,518
<b>TOTAL ANNUAL ASSESSMENT</b>		<b>\$2,341,970</b>
Notations:		
<sup>(1)</sup> Based on conservative interest rate, subject to change based on market conditions.		
<sup>(2)</sup> Based on maximum capitalized interest, 12 months.		

TABLE 6

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT								
N4 - ALLOCATION METHODOLOGY - SPECIAL ASSESSMENT BONDS <sup>(1)</sup>								
PRODUCT	PER UNIT	TOTAL EAU <sub>s</sub>	% OF EAU <sub>s</sub>	UNITS	PRODUCT TYPE		PER UNIT	
					TOTAL PRINCIPAL	ANNUAL ASSMT. <sup>(2)</sup>	TOTAL PRINCIPAL	ANNUAL ASSMT. <sup>(2)</sup>
M-F 20	0.40	47.20	16.55%	118	\$4,301,739	\$387,482	\$36,455	\$3,284
Single Family 34	0.68	99.28	34.80%	146	\$9,048,233	\$815,027	\$61,974	\$5,582
Single Family 50	1.00	92.00	32.25%	92	\$8,384,745	\$755,262	\$91,139	\$8,209
Single Family 60	1.20	46.80	16.40%	39	\$4,265,283	\$384,199	\$109,366	\$9,851
<b>Totals</b>		<b>285.28</b>	<b>100.00%</b>	<b>395</b>	<b>\$26,000,000</b>	<b>\$2,341,970</b>		

<sup>(1)</sup> Allocation of total bond principal (i.e., assessment) based on equivalent assessment units. Individual principal and interest assessments calculated on a per unit basis. 12 month Maximum Capitalized Interest Period.

<sup>(2)</sup> Includes principal, interest and includes the discounts and collection fees

EXHIBIT A

The maximum par amount of Bonds that may be borrowed by the District to pay for the public capital infrastructure improvements within Neighborhood 4 is \$26,000,000.00 payable in 30 annual installments.

Neighborhood 4 of the District is currently undeveloped. As gross parcels within Neighborhood 4 of the District are platted into lots, the Assessments will be assigned by product type in accordance with this Methodology.

ASSESSMENT ROLL			
TOTAL ASSESSMENT:		<u>\$26,000,000.00</u>	
ANNUAL ASSESSMENT:		<u>\$2,341,970.35</u> - (30 Installments)	
Neighborhood 4 - Landowner Name, Folio & Address	Assessable Acreage	PER PARCEL ASSESSMENTS	
		Total PAR Debt	Total Annual
Hawk Longleaf, LLC 2502 N. Rocky Point Dr Suite 1050 Tampa, FL 33607	125.500	\$26,000,000.00	\$2,341,970.35
See attached Exhibit B - Legal Description			
Totals:		<u>125.50</u>	<u>\$26,000,000.00</u> <u>\$2,341,970.35</u>
Notation: Assessments shown include collection cost			

**EXHIBIT B**

**Neighborhood 4 - LEGAL DESCRIPTION**

A parcel of land being a portion of Sections 18 and 19, Township 26 South, Range 17 East, Pasco County, Florida, being further described as follows:

Commence at the Southwest corner of the Northeast 1/4 of Section 19, Township 26 South, Range 17 East, Pasco County, Florida, same also being the Northwest corner of the Southeast 1/4 of said Section 19; thence North 00°17'21" East, along the West line of said Northeast 1/4 of Section 19 (being the basis of bearings for this legal description), for 1,091.03 feet to the POINT OF BEGINNING; thence leaving said West line of the Northeast 1/4 of Section 19, North 73°38'34" West, for 297.88 feet to the Easterly line of Longleaf Neighborhood Two Phase One and Phase Three as recorded in Plat Book 40, Pages 16 through 26 of the Public Records of Pasco County, Florida; thence the following four (4) courses along said Easterly line of Longleaf Neighborhood Two Phase One and Phase Three; (1) thence North 62°07'26" East, for 483.97 feet; (2) thence North 49°48'25" West, for 185.24 feet; (3) thence North 38°58'05" West, for 254.67 feet; (4) thence South 90°00'00" West, for 206.09 feet; thence leaving said Easterly line of Longleaf Neighborhood Two Phase One and Phase Three, North 14°57'29" East, for 660.56 feet; thence North 36°05'43" East, for 344.65 feet to the Northwest corner of said Northeast 1/4 of Section 19; thence North 43°27'13" East, for 1,027.91 feet; thence North 65°11'58" East, for 196.83 feet; thence South 89°59'55" East, for 180.62 feet; thence North 36°47'04" East, for 312.99 feet to the point of intersection with the Westerly Right-of-Way line of Starkey Boulevard, according to Official Records Book 5486, page 1737 of the Public Records of Pasco County, Florida; thence the following ten (10) courses along said Westerly Right-of-Way line of Starkey Boulevard; (1) thence North 35°18'58" East, for 25.00 feet to the point of intersection with a non-tangent curve, concave Southwesterly; (2) thence Southeasterly along the arc of said curve, from a radial bearing of North 35°18'58" East, having a radius of 2,140.00 feet, a central angle of 38°46'44", an arc length of 1,448.39 feet, and a chord bearing South 35°17'40" East for 1,420.91 feet to the point of intersection with a non-tangent line; (3) thence South 74°05'42" West, for 26.60 feet; (4) thence South 43°33'57" West, for 103.11 feet; (5) thence South 01°56'59" East, for 39.41 feet; (6) thence South 57°17'25" East, for 116.97 feet to the point of intersection with a non-tangent curve, concave Westerly; (7) thence Southerly along the arc of said curve, from a radial bearing of North 78°58'05" East, having a radius of 2,100.00 feet, a central angle of

04°05'10", an arc length of 149.76 feet, and a chord bearing South 08°59'20" East for 149.73 feet to the point of intersection with a non-tangent line; (8) thence North 83°03'15" East, for 40.00 feet to the point of intersection with a non-tangent curve, concave Westerly; (9) thence Southwesterly along the arc of said curve, from a radial bearing of North 83°03'15" East, having a radius of 2,140.00 feet, a central angle of 41°04'52", an arc length of 1,534.38 feet, and a chord bearing South 13°35'41" West for 1,501.72 feet to the point of tangent; (10) thence South 34°08'06" West, for 651.56 feet; thence leaving said Westerly Right-of-Way line of Starkey Boulevard, North 60°59'56" West, for 150.61 feet; thence North 34°08'06" East, for 65.73 feet; thence North 47°33'45" West, for 259.06 feet; thence North 74°18'12" West, for 39.98 feet; thence North 45°12'56" West, for 403.84 feet; thence North 73°38'34" West, for 868.50 feet to the POINT OF BEGINNING.

Together with a non-exclusive, temporary easement for the hauling of fill dirt by truck for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, more particularly described in that Agreement for Partial Temporary Assignment of Easement for Hauling Fill Dirt recorded December 7, 2016 in Official Records Book 9469, Page 713, of the Public Records of Pasco County, Florida.

AND

Together with a non-exclusive, temporary easement for the hauling of fill dirt by truck for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, more particularly described in that temporary Fill Dirt Haul Route Easement Agreement recorded December 7, 2016 in Official Records Book 9469, Page 722, of the Public Records of Pasco County, Florida.

AND

Together with a non-exclusive, temporary easement for the purpose of excavation and removal of fill dirt for the development of a community within Pasco County, Florida known as Neighborhood 4 of Longleaf, as more particularly described in that Fill Dirt Excavation Easement Agreement recorded December 7, 2016 in Official Records Book 9469, Page 730, of the Public Records of Pasco County, Florida.

**Containing 125.50 Acres, More or Less.**

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LONGLEAF COMMUNITY  
DEVELOPMENT  
DISTRICT

SECOND SUPPLEMENTAL  
ASSESSMENT METHODOLOGY  
REPORT  
CAPITAL IMPROVEMENT  
REVENUE BONDS, SERIES 2024A  
(NEIGHBORHOOD 4 ASSESSMENT  
AREA TWO)

Report Date:

September 10, 2024

INFRAMARK

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## I. INTRODUCTION

This *Second Supplemental Assessment Methodology Report – Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 Assessment Area Two)* (the “Second Supplemental Report”) serves to apply the basis of the benefit allocation and assessment methodology per the *Master Assessment Methodology Report for Neighborhood 4* (the “Master Report”), dated October 10, 2023, specifically to support the issuance of the Bonds (as defined below) which will fund a portion of the 2024A Project (as defined below) of the District’s Capital Improvement Program (as defined below).

## II. DEFINED TERMS

“2024A Project” – Identified within the Engineer’s Report and relates to the costs of the public improvements and community facilities that may be financed by the Bonds.

“Assessable Property” – Neighborhood 4 Assessment Area Two comprising 189 residential units.

“Bonds” – Longleaf Community Development District Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two).

“Capital Improvement Program” (CIP) – The public infrastructure development program as outlined in the Engineer’s Report.

“District” – Longleaf Community Development District, encompassing 562.562 +/- gross acres, in Pasco County Florida.

“District Engineer” – BGE, Inc., Tampa, Florida

“Engineer’s Report” – Supplemental Engineer’s Report for Neighborhood 4 Assessment Area Two dated September 10, 2024.

“Equivalent Assessment Unit” (EAU) – A weighted value assigned to dissimilar residential lot product types to differentiate the benefit and lien values assignment.

“Neighborhood 4 Assessment Area Two” – Assessable Property within the Longleaf Community Development District, encompassing 63.94 +/- acres.

“Platted Units” – Private property subdivided as a portion of gross acreage by virtue of the platting process.

“Product Type” – Classification assigned by the District Engineer to dissimilar lot products for the development of vertical construction. Determined in part as to differentiated sizes, setbacks, and other factors.

“Unit(s)” – A planned or developed residential lot assigned a Product Type classification by the District Engineer.

### III. OBJECTIVE

The objective of this Second Supplemental Report is to:

- A. Allocate a portion of the costs of the CIP to the 2024A Project;
- B. Refine the benefits, as initially defined in the Master Report, to the assessable properties within the District that will be assessed as a result of the issuance of the Bonds;
- C. Determine a fair and equitable method of spreading the associated costs to the benefiting properties within the District and ultimately to the individual units therein; and
- D. Provide a basis for the placement of a lien on the assessable lands within the District that benefit from the 2024A Project, as outlined by the Engineer's Report.

The basis of benefit received by properties within the District relates directly to the 2024A Project allocable to Assessable Property within the District. The District's 2024A Project will create the public infrastructure that enables the assessable properties within the District to be developed and improved. Without these public improvements, which include engineering costs, stormwater, utilities (water and sewer), roadways, park areas, landscape, and hardscape - the development of lands within the District could not be undertaken within the current legal development standards. This Second Supplemental Report applies the methodology described in the Master Report to assign assessments to assessable properties within the District because of the benefit received from the 2024A Project and assessments required to satisfy the repayment of the Bonds by benefiting assessable properties.

The District will issue the Bonds to finance the construction and/or acquisition of a portion of the 2024A Project which will provide special benefit to the Assessable Property. The Bonds will be repaid from and secured by non-ad valorem assessments levied on those properties benefiting from the improvements within the District ("Series 2024A Assessments"). Non-ad valorem assessments will be collected each year to provide the funding necessary to remit Bond debt service payments and to fund operations and maintenance costs related to the capital improvements maintained by the District.

In summary, this Second Supplemental Report will determine the benefit, apportionment, and financing structure for the Bonds issued by the District per Chapters 170, 190, and 197, Florida Statutes, as amended, to establish a basis for the levying and collecting of the Series 2024A Assessments based on the benefits received and is consistent with our understanding and experience with case law on this subject.

### IV. DISTRICT OVERVIEW

The Assessable Property encompasses 63.94 +/- acres and is located entirely within Pasco County, Florida. 189 residential units comprising Neighborhood 4 Assessment Area Two will be subject to the lien of the Series 2024A Assessments securing the Bonds.

## V. CAPITAL IMPROVEMENT PROGRAM (CIP)

The District is undertaking the responsibility of providing the improvements to serve the District and its residents. The Capital Improvement Program provides special benefits to lands within Neighborhood 4 Assessment Area Two of the District.

The District Engineer has identified the infrastructure, and respective costs, to be acquired and/or constructed as part of the 2024A Project. The 2024A Project includes engineering costs, stormwater, utilities (water and sewer), roadways, park areas, landscape, and hardscape. The cost of the 2024A Project is generally described in Table 1 of this Second Supplemental Report with further detail provided in the Engineer's Report.

## VI. DETERMINATION OF SPECIAL ASSESSMENT

There are three main requirements for valid special assessments. The first requirement demands that the improvements to benefited properties, for which special assessments are levied, be implemented for an approved and assessable purpose (F.S. 170.01). As a second requirement, special assessments can only be levied on those properties specially benefiting from the improvements (F.S. 170.01). Thirdly, the special assessments allocated to each benefited property cannot exceed the proportional benefit to each parcel (F.S. 170.02).

The 2024A Project contains a "system of improvements" for Neighborhood 4 Assessment Area Two that benefits all private property owners within Neighborhood 4 Assessment Area Two; all of which are considered to be for an approved and assessable purpose (F.S. 170.01) which satisfies the first requirement for a valid special assessment, as described above. Additionally, the improvements will result in all private, developable properties receiving a direct and specific benefit, thereby making those properties legally subject to assessments (F.S. 170.01), which satisfies the second requirement above. Finally, the specific benefit to the properties is equal to or exceeds the cost of the assessments to be levied on the benefited properties (F.S. 170.02), which satisfies the third requirement above.

The first requirement for determining the validity of a special assessment is plainly demonstrable. Eligible improvements are found within the list provided in F.S. 170.01. However, certifying compliance with the second and third requirements necessary to establish a valid special assessment requires a more analytical examination. As required by F.S. 170.02 and described in the next section entitled "Allocation Methodology," this approach involves identifying and assigning value to specific benefits being conferred upon the various benefitting properties, while confirming the value of these benefits exceeds the cost of providing the improvements. These special benefits include but are not limited to, the added use of the property, added enjoyment of the property, the probability of decreased insurance premiums, and the probability of increased marketability and value of the property. The development plan for Neighborhood 4 Assessment Area Two contains 189 residential units. The method of apportioning benefit to the planned product mix can be related to development density and intensity where it "equates" the estimated benefit conferred to a specific Product Type. This is done to implement a fair and equitable method of apportioning benefits.

The second and third requirements are the key elements in defining a valid special assessment. A reasonable estimate of the proportionate special benefits received from the 2024A Project is demonstrated in the calculation of an equivalent assessment unit (EAU), further described in the next section.

The determination has been made that the duty to pay the Series 2024A Assessments is valid based on the special benefits imparted upon the benefitting property. These benefits are derived from the acquisition and/or construction of the District's CIP. The allocation of responsibility for the payment of the Series 2024A Assessments, being associated with the special assessment liens encumbering the District as a result of the 2024A Project, has been apportioned according to a reasonable estimate of the special benefits provided, consistent with each land use category. Accordingly, no acre or parcel of property within the boundary of the District will be assessed for the payment of any Series 2024A Assessments greater than the determined special benefit particular to that property.

Property within the District that currently is not, or upon future development, will not be subject to the Series 2024A Assessments include publicly owned (State/County/City/CDD) tax-exempt parcels such as lift stations, road rights-of-way, waterway management systems, common areas, and certain lands/amenities owned by the Owner and other community property. To the extent it is later determined that the property no longer qualifies for an exemption, the Series 2024A Assessments will be apportioned and levied based on an EAU factor proportionate to lot product average front footage.

## VII. ALLOCATION METHODOLOGY

Special assessments are allocated to each Assessable Property within the District on the basis of estimated special benefit received from the improvements constructed and/or acquired by the District. A comparative analysis is utilized to determine the estimated special benefit received by an Assessable Property. The analysis evaluates the proportional special benefit received by an Assessable Property relative to its size in comparison to those special benefits received by other Assessable Properties within the District. According to F.S. 170.02, the methodology by which valid special assessments are allocated to specifically benefitted property must be determined and adopted by the governing body of the District. This alone gives the District latitude in determining how special assessments will be allocated to specially benefitted properties. The improvements benefit and special assessment allocation rationale is detailed below and provides a mechanism by which these costs, based on a determination of the estimated level of the benefit conferred by the improvements, are apportioned to the Assessable Properties within the District for levy and collection.

## VIII. ASSIGNMENT OF ASSESSMENTS

This section sets out the manner in which the Series 2024A Assessments will be assigned to properties within Neighborhood 4 Assessment Area Two. The Bonds will be secured by the Series 2024A Assessments which will be levied on Assessable Properties within Neighborhood 4 Assessment Area Two in accordance with Tables 6 and 7. According to Section 193.0235, Florida Statutes, certain privately or publicly owned "common elements" such as clubhouses, amenities,

lakes, and common areas for community use and benefit are exempt from non-ad valorem assessments and liens regardless of private ownership.

#### IX. FINANCING INFORMATION

The District will finance a portion of the 2024A Project through the issuance of the Bonds secured ultimately by benefiting properties within the District. Several items will comprise the Bonds sizing such as a debt service reserve, issuance costs, and rounding as shown in Table 5.

#### X. TRUE-UP MODIFICATION

The Series 2024A Assessments allocated and levied to a parcel may be prepaid in full at any time, without penalty. Notwithstanding the preceding provisions, the District does not waive the right to assess penalties which would otherwise be permissible if the parcel being prepaid is subject to an assessment delinquency.

Because this methodology assigns defined, fixed assessments to platted units, the District's Series 2024 Assessment program is predicated on the development of lots in the manner described in Table 6. If there is a change to the plan that results in a net decrease in the overall principal amount of the Series 2024A Assessments able to be assigned to the units described in Table 1, then a True-up or principal reduction payment will be required to correct the deficiency.

#### XI. ADDITIONAL STIPULATIONS

Inframark was retained by the District to prepare a methodology to fairly allocate the Series 2024A Assessments related to the 2024A Project. Certain financing, development, and engineering data was provided by members of the District Staff and/or the developer. The methodology described herein was based on information provided by those professionals. Inframark makes no representations regarding said information transactions beyond the restatement of the factual information necessary for the compilation of this Second Supplemental Report. For additional information on the Bond structure and related items, please refer to the Offering Statement associated with this transaction.

Inframark does not represent the District as a Municipal Advisor or Securities Broker nor is Inframark registered to provide such services as described in Section 15B of the Securities and Exchange Act of 1934, as amended. Similarly, Inframark does not provide the District with financial advisory services or offer investment advice in any form.

TABLE 1

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT			
N4 AA2 CIP COST SUMMARY			
DESCRIPTION	Total Master Improvements	Total Subdivision Improvements	Total Combined Cost
Engineering Design, Permitting, Surveying, Testing	\$ 31,100.00	\$ 448,140.00	\$ 479,240.00
Storm Water Management	\$ 46,950.00	\$ 5,994,625.00	\$ 6,041,575.00
Roads	\$ 492,607.00	\$ 1,881,180.00	\$ 2,373,787.00
Potable Water	\$ -	\$ 835,562.00	\$ 835,562.00
Sanitary Sewer	\$ -	\$ 1,611,631.00	\$ 1,611,631.00
Reclaimed Water	\$ -	\$ 684,205.00	\$ 684,205.00
Dry Utilities Trenching	\$ -	\$ 210,168.00	\$ 210,168.00
Park Areas	\$ -	\$ 145,000.00	\$ 145,000.00
Landscape, Irrigation, Hardscape, Recreation	\$ -	\$ 430,000.00	\$ 430,000.00
Permit and Other Fees	\$ -	\$ 518,805.00	\$ 518,805.00
<b>TOTAL</b>	<b>\$570,657</b>	<b>\$12,759,316</b>	<b>\$13,329,973</b>

\* See Supplemental Engineer Report for Neighborhood 4 - Assessment Area Two, dated September 10, 2024 for further detail.



TABLE 2

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT			
PROJECT STATISTICS - N4 AA2 EAU ASSIGNMENTS			
PRODUCT	LOT COUNT	PER UNIT	TOTAL EAUS
Single Family 34	94	0.68	63.92
Single Family 50	59	1.00	59.00
Single Family 60	36	1.20	43.20
<b>TOTAL</b>	<b>189</b>		<b>166.12</b>

Notations:  
 (1) Product Type  
 (2) Equivalent Assessment Unit

**TABLE 3**

**4 DEVELOPMENT PROGRAM COST/ N4 AA2 CIP NET BENEFIT ANALYSIS**

INFRASTRUCTURE CIP COSTS	\$13,329,973
EAUs	166.12
<b>TOTAL CIP COST/BENEFIT PER EAU</b>	<b>\$80,243</b>

Notations:  
 1) Benefit is equal to or greater than cost as assigned per Equivalent Assessment Unit ('EAU') as described above.

**TABLE 4**

**N4 AA2 DEVELOPMENT PROGRAM \*NET\* COST/BENEFIT ANALYSIS**

PRODUCT TYPE	EAU FACTOR	PRODUCT COUNT	EAUs	NET BENEFIT	
				PER PRODUCT TYPE	PER PRODUCT UNIT
Single Family 34	0.68	94	63.92	\$5,129,135	\$54,565
Single Family 50	1.00	59	59.00	\$4,734,339	\$80,243
Single Family 60	1.20	36	43.20	\$3,466,499	\$96,292
<b>Total</b>		<b>189</b>	<b>166.12</b>	<b>\$13,329,973</b>	

Notations:  
 1) Table 4 determines only the benefit of construction cost, net of finance and other related costs.

TABLE 5

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT 2024A AA2 CDD BOND ISSUE		
Coupon Rate <sup>(1)</sup>		5.65%
Term (Years)		30
Principal Amortization Installments		30
<b><u>ISSUE SIZE</u></b>		<b>\$8,115,000</b>
Construction Fund		\$6,161,189
Restricted Account		\$700,000
Capitalized Interest	9	\$343,873
Debt Service Reserve Fund	100%	\$567,638
Underwriter's Discount	2.00%	\$162,300
Cost of Issuance		\$180,000
<b><u>ANNUAL ASSESSMENT</u></b>		
Annual Debt Service (Principal plus Interest)		\$567,638
Collection Costs and Discounts @	6.00%	\$36,232
<b>TOTAL ANNUAL ASSESSMENT</b>		<b>\$603,870</b>
Notations:		
<sup>(1)</sup> Based on conservative interest rate, subject to change based on market conditions.		

Table 6

NEIGHBORHOOD 4 AA2 DEVELOPMENT PROGRAM ASSIGNMENT OF SERIES 2024A BOND ASSESSMENTS WITH DEVELOPER CONTRIBUTION <sup>(1)</sup>					
PRODUCT TYPE	UNITS <sup>(2)</sup>	PRODUCT TYPE			PER UNIT
		TOTAL PRINCIPAL	PRINCIPAL REDUCTION	TOTAL PRINCIPAL	TOTAL PRINCIPAL
Single Family 34	94	\$3,122,501	\$1,752,004	\$1,370,497	\$14,580
Single Family 50	59	\$2,882,179	\$1,364,169	\$1,518,010	\$25,729
Single Family 60	36	\$2,110,320	\$998,827	\$1,111,492	\$30,875
	<b>189</b>	<b>\$8,115,000</b>	<b>\$4,115,000</b>	<b>\$4,000,000</b>	

Table 4 Notations:

- 1) Any development program changes will require recalculations pursuant to the True-Up provisions within this report.
- 2) The unit count is an approximation and is subject to change upon the final issue

Table 7

NEIGHBORHOOD 4 AA2 DEVELOPMENT PROGRAM ASSIGNMENT OF SERIES 2024 BOND ASSESSMENTS PRE DEVELOPER CONTRIBUTION <sup>(1)</sup>								
PRODUCT TYPE	PER UNIT	TOTAL EAU's	% OF EAU'S	UNITS <sup>(2)</sup>	PRODUCT TYPE		PER UNIT	
					TOTAL PRINCIPAL	ANNUAL ASSESSMENT	TOTAL PRINCIPAL	TOTAL ASSESSMENT
Single Family 34	0.68	63.92	38.5%	94	\$3,122,501	\$218,417	\$33,218	\$2,324
Single Family 50	1.00	59.00	35.5%	59	\$2,882,179	\$201,606	\$48,850	\$3,417
Single Family 60	1.20	43.20	26.0%	36	\$2,110,320	\$147,615	\$58,620	\$4,100
		<b>166.12</b>	<b>100.0%</b>	<b>189</b>	<b>\$8,115,000</b>	<b>\$567,638</b>		

Table 4 Notations:

- 1) Any development program changes will require recalculations pursuant to the True-Up provisions within this report.
- 2) The unit count is an approximation and is subject to change upon the final plat.
- 3) Annual assessments are net of collection costs and early payment discounts.

EXHIBIT A

The Series 2024A Bonds borrowed by the District to pay for the public capital infrastructure improvements within Neighborhood 4 Assessment Area Two is \$8,115,000.00 payable in 30 annual installments.

Neighborhood 4 Assessment Area Two of the District is currently undeveloped. As gross parcels within Neighborhood 4 Assessment Area Two of the District are platted into lots, the Assessments will be assigned by product type in accordance with this Methodology.

ASSESSMENT ROLL

TOTAL ASSESSMENT: \$8,115,000

ANNUAL ASSESSMENT: \$567,638 - (30 Installments)

Neighborhood 4 - Landowner Name, Folio & Address	Assessable Acreage	PER PARCEL ASSESSMENTS	
		Total PAR Debt	Total Annual
Hawk Longleaf, LLC 2502 N Rocky Point Drive Ste 1050 Tampa Florida 33607 See attached Exhibit B - Legal Description	63.940	\$8,115,000	\$567,638
Totals:	<u>63.94</u>	<u>\$8,115,000</u>	<u>\$567,638</u>

Notation:

Assessments shown are net of collection costs

**EXHIBIT B  
LEGAL DESCRIPTION**

NEIGHBORHOOD 4 ASSESSMENT AREA TWO  
**LONGLEAF  
COMMUNITY DEVELOPMENT DISTRICT**

## SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

### LEGAL DESCRIPTION

A PARCEL OF LAND LYING IN SECTION 18 & 19, TOWNSHIP 26 SOUTH, RANGE 17 EAST, PASCO COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHWEST CORNER OF LONGLEAF NEIGHBORHOOD 4 PHASE 1, AS RECORDED IN PLAT BOOK 95, PAGE 127 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE RUN ALONG THE NORTHERN BOUNDARY OF LONGLEAF NEIGHBORHOOD THREE, AS RECORDED IN PLAT BOOK 56, PAGE 127 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA, NORTH 73°38'34" WEST, A DISTANCE OF 520.94 FEET; THENCE RUN ALONG THE EASTERLY BOUNDARY OF LONGLEAF NEIGHBORHOOD TWO PHASE ONE AND PHASE THREE, AS RECORDED IN PLAT BOOK 40, PAGE 17 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA THE FOLLOWING FOUR (4) COURSES: (1) NORTH 62°07'26" EAST, A DISTANCE OF 483.97 FEET; (2) NORTH 49°48'25" WEST, A DISTANCE OF 185.24 FEET; (3) NORTH 38°58'05" WEST, A DISTANCE OF 254.67 FEET; (4) WEST, A DISTANCE OF 206.09 FEET; THENCE RUN ALONG THE EASTERN BOUNDARY OF WOODLANDS AT LONGLEAF, AS RECORDED IN PLAT BOOK 75, PAGE 35 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA, THE FOLLOWING SIX (6) COURSES: (1) NORTH 14°57'29" EAST, A DISTANCE OF 660.56 FEET; (2) NORTH 36°05'43" EAST, A DISTANCE OF 344.65 FEET; (3) NORTH 43°27'13" EAST, A DISTANCE OF 1,027.91 FEET; (4) NORTH 65°11'58" EAST, A DISTANCE OF 196.83 FEET; (5) SOUTH 89°59'55" EAST, A DISTANCE OF 180.62 FEET; (6) NORTH 36°47'04" EAST, A DISTANCE OF 312.99 FEET; THENCE NORTH 35°18'58" EAST, A DISTANCE OF 25.00 FEET TO A POINT ON THE WESTERLY RIGHT-OF-WAY OF STARKEY BOULEVARD, AS RECORDED IN OFFICIAL RECORDS BOOK 5486, PAGE 1737, OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA AND A TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 2,140.00 FEET AND A CHORD WHICH BEARS SOUTH 37°41'44" EAST AND A DISTANCE OF 1,250.51 FEET, THENCE ALONG THE ARC OF SAID CURVE TO THE RIGHT AND SAID RIGHT OF WAY A DISTANCE OF 1269.02 FEET; THENCE DEPARTING SAID RIGHT-OF-WAY, NORTH 40°45'51" WEST, A DISTANCE OF 34.77 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 25.00 FEET AND A CHORD WHICH BEARS NORTH 51°33'53" WEST, A DISTANCE 9.37 FEET THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 9.43 FEET; THENCE NORTH 62°21'54" WEST, A DISTANCE OF 81.88 FEET; THENCE NORTH 75°43'03" WEST, A DISTANCE OF 167.21 FEET; THENCE NORTH 81°35'20" WEST, A DISTANCE OF 90.31 FEET; THENCE SOUTH 88°33'25" WEST, A DISTANCE OF 63.22 FEET; THENCE NORTH 59°50'16" WEST, A DISTANCE OF 83.43 FEET

CONTINUED ON SHEET 2

**Harry B Rogers III**  
 2024.08.28  
 '00'04- 15:13:13



*Harry B. Rogers III* 08/28/2024  
 HARRY B. ROGERS III, PSM DATE  
 FLORIDA PROFESSIONAL SURVEYOR AND MAPPER NO. 6418  
 FOR HAMILTON ENGINEERING AND SURVEYING, LLC  
 CERTIFICATE OF AUTHORIZATION NO. LB 8405

INFORMATION NOT COMPLETE  
 WITHOUT ALL SHEETS  
 NOT VALID WITHOUT THE SIGNATURE AND THE  
 ORIGINAL RAISED SEAL FOR DIGITAL SIGNATURE OF  
 A FLORIDA PROFESSIONAL SURVEYOR & MAPPER

**HAMILTON**  
 ENGINEERING & SURVEYING, LLC  
 www.HamiltonEngineering.us

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 8340 CONSUMER CIR SARASOTA, FL 32807 TEL: 941.377.9178

<b>LONGLEAF PHASES 3-5</b>				
<b>CDD BOND</b>				
SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>	SHEET: <b>1 OF 4</b>

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## SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

**LEGAL DESCRIPTION (CONTINUED):**

TO A POINT OF CURVATURE OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 25.00 FEET AND A CHORD WHICH BEARS NORTH 69°23'23" WEST, A DISTANCE 8.30 FEET; THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 8.34 FEET; THENCE NORTH 78°56'31" WEST, A DISTANCE OF 57.65 FEET; THENCE NORTH 85°45'14" WEST, A DISTANCE OF 43.43 FEET; THENCE SOUTH 89°57'54" WEST, A DISTANCE OF 43.71 FEET; THENCE SOUTH 59°49'58" WEST, A DISTANCE OF 38.48 FEET; THENCE SOUTH 39°34'45" WEST, A DISTANCE OF 58.38 FEET; THENCE SOUTH 42°21'45" WEST, A DISTANCE OF 60.07 FEET; THENCE SOUTH 39°30'00" WEST, A DISTANCE OF 180.00 FEET; THENCE SOUTH 34°44'11" WEST, A DISTANCE OF 60.21 FEET; THENCE SOUTH 38°38'37" WEST, A DISTANCE OF 54.34 FEET; THENCE SOUTH 11°50'53" WEST, A DISTANCE OF 42.26 FEET; THENCE SOUTH 56°37'27" WEST, A DISTANCE OF 11.25 FEET; THENCE SOUTH 07°00'00" EAST, A DISTANCE OF 50.00 FEET; THENCE SOUTH 70°37'27" EAST, A DISTANCE OF 11.25 FEET; THENCE SOUTH 07°00'00" EAST, A DISTANCE OF 120.00 FEET; THENCE SOUTH 85°05'11" EAST, A DISTANCE OF 28.89 FEET; TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE SOUTHWESTERLY, HAVING A RADIUS OF 15.00 FEET AND A CHORD WHICH BEARS SOUTH 62°04'46" EAST AND A DISTANCE OF 11.78 FEET; THENCE ALONG SAID CURVE TO THE RIGHT A DISTANCE OF 12.10 FEET; THENCE SOUTH 38°57'44" EAST, A DISTANCE OF 90.84 FEET; TO A POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 30.00 FEET AND A CHORD WHICH BEARS SOUTH 58°28'52" EAST, A DISTANCE 20.05 FEET; THENCE ALONG THE ARC OF SAID CURVE TO THE LEFT, A DISTANCE OF 20.44 FEET; THENCE SOUTH 78°00'00" EAST, A DISTANCE OF 114.07 FEET; THENCE SOUTH 12°00'00" WEST, A DISTANCE OF 145.00 FEET; THENCE SOUTH 78°00'00" EAST, A DISTANCE OF 60.60 FEET; THENCE SOUTH 12°00'00" WEST, A DISTANCE OF 453.00 FEET TO THE NORTHERN BOUNDARY OF SAID LONGLEAF NEIGHBORHOOD FOUR PHASE; THENCE RUN ALONG SAID BOUNDARY OF LONGLEAF NEIGHBORHOOD FOUR PHASE 1 THE FOLLOWING ELEVEN (11) COURSES: (1) SOUTH 12°00'00" WEST, A DISTANCE OF 5.50 FEET TO A POINT OF CURVATURE OF A NON TANGENT CURVE CONCAVE NORTHWESTERLY, HAVING A RADIUS OF 10.00 FEET AND A CHORD WHICH BEARS SOUTH 57°00'00" WEST AND A DISTANCE OF 14.14 FEET; (2) ALONG SAID CURVE TO THE RIGHT A DISTANCE OF 21.53 FEET; (3) NORTH 78°00'00" WEST, A DISTANCE OF 197.88 FEET; (4) SOUTH 12°00'00" WEST, A DISTANCE OF 178.00 FEET; (5) NORTH 78°00'00" WEST, A DISTANCE OF 200.00 FEET; (6) NORTH 83°42'38" WEST, A DISTANCE OF 50.25 FEET; (7) NORTH 78°00'00" WEST, A DISTANCE OF 21.39 FEET TO A POINT OF CURVATURE OF A CURVE CONCAVE NORTHEASTERLY, HAVING A RADIUS OF 254.00 FEET AND A CHORD WHICH BEARS NORTH 53°48'36" WEST, A DISTANCE 208.16 FEET; (8) ALONG THE ARC OF SAID CURVE TO THE RIGHT, A DISTANCE OF 214.48 FEET; (9) NORTH 23°55'30" WEST, A DISTANCE OF 111.65 FEET; (10) SOUTH 46°21'20" WEST, A DISTANCE OF 228.20 FEET; (11) SOUTH 16°21'26" WEST, A DISTANCE OF 628.12 FEET; TO **THE POINT OF BEGINNING.**

CONTAINING 2,785,020.57 SQUARE FEET OR 63.94 ACRES, MORE OR LESS.

**LEGEND:**

- LB = LICENSED BUSINESS
- ORB = OFFICIAL RECORD BOOK
- PG = PAGE
- PB = PLAT BOOK
- POB = POINT OF BEGINNING
- POC = POINT OF COMMENCEMENT
- PSM = PROFESSIONAL SURVEYOR AND MAPPER

**BASIS OF BEARINGS**

BEARINGS SHOWN HEREON ARE GRID BASED ON THE FLORIDA WEST TRANSVERSE MERCATOR STATE PLAN COORDINATE SYSTEM NAD83 DATUM (2011 ADJUSTMENT). THE NORTHERN BOUNDARY OF LONGLEAF NEIGHBORHOOD THREE HAVING A BEARING OF NORTH 73°38'34"EAST.

INFORMATION NOT COMPLETE  
 WITHOUT ALL SHEETS

NOT VALID WITHOUT THE SIGNATURE AND THE ORIGINAL RAISED SEAL FOR DIGITAL SIGNATURE OF A FLORIDA PROFESSIONAL SURVEYOR & MAPPER

LB #9405 CA #9474

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ENGINEERING & SURVEYING, LLC

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TEL: 407.362.5929

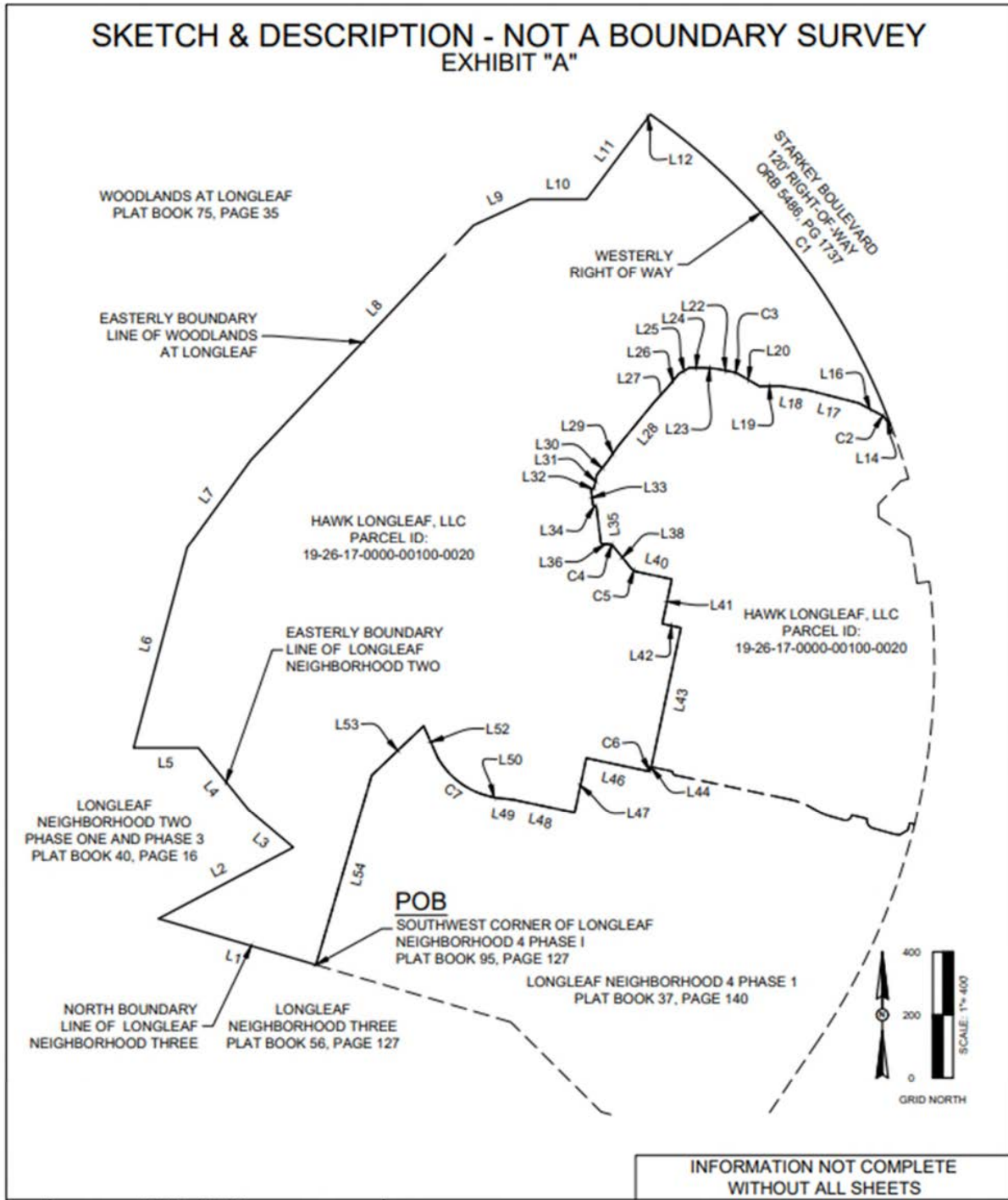
8340 CONSUMER CIR  
SARASOTA, FL 32907  
TEL: 941.377.9178


### LONGLEAF PHASES 3-5 CDD BOND

SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>	SHEET: <b>1 OF 3</b>
--------------------------------------------	---------------------------------	-------------------------	----------------------------	-------------------------

\\hesi417u24k\04090 HAWK LONGLEAF LLC\LongLeaf NH4\SURV\Sketch And Description\Phase 3-5 CDD BOND\LONGLEAF PH 3-5 CDD BOND\_CV.dwg (SHEET 2) harryr Aug 28, 2024 - 3:04pm





		<h2 style="margin: 0;">LONGLEAF PHASES 3-5</h2> <h3 style="margin: 0;">CDD BOND</h3>					
3409 W LEMON ST TAMPA, FL 33609 TEL: 813.250.3535	2400 N FORSYTH RD ORLANDO, FL 32807 TEL: 407.362.5929	8340 CONSUMER CIR SARASOTA, FL 32807 TEL: 941.377.9178	SEC TWP RNG: <b>18 &amp; 19/26S/17E</b>	JOB NUMBER: <b>24HAM####</b>	DRAWN BY: <b>CTV</b>	DATE: <b>08/27/2024</b>	SHEET: <b>3 OF 4</b>

I:\hes417U2\4\04090 HAWK LONGLEAF LLC\LongLeaf NH4\SURV\Sketch And Description\Phase 3-5 CDD BOND\LONGLEAF PH 3-5 CDD BOND\_CV.dwg (SHEET 3) harry Aug 28, 2024 - 3:04pm

## SKETCH & DESCRIPTION - NOT A BOUNDARY SURVEY EXHIBIT "A"

LINE TABLE		
LINE #	LENGTH	DIRECTION
L1	520.94'	N 73° 38' 34" W
L2	483.97'	N 62° 07' 26" E
L3	185.24'	N 49° 48' 25" W
L4	254.67'	N 38° 58' 05" W
L5	206.09'	N 90° 00' 00" W
L6	660.56'	N 14° 57' 29" E
L7	344.65'	N 36° 05' 43" E
L8	1027.91'	N 43° 27' 13" E
L9	196.83'	N 65° 11' 58" E
L10	180.62'	S 89° 59' 55" E
L11	312.99'	N 36° 47' 04" E
L12	25.00'	N 35° 18' 58" E
L14	34.77'	N 40° 45' 51" W
L16	81.88'	N 62° 21' 54" W
L17	167.21'	N 75° 43' 03" W
L18	90.31'	N 81° 35' 20" W

LINE TABLE		
LINE #	LENGTH	DIRECTION
L19	63.22'	S 88° 33' 25" W
L20	83.43'	N 59° 50' 16" W
L22	57.65'	N 78° 56' 31" W
L23	43.43'	N 85° 45' 14" W
L24	43.71'	S 89° 57' 54" W
L25	38.48'	S 59° 49' 58" W
L26	58.38'	S 39° 34' 45" W
L27	60.07'	S 42° 21' 45" W
L28	180.00'	S 39° 30' 00" W
L29	60.21'	S 34° 44' 11" W
L30	54.34'	S 38° 38' 37" W
L31	42.26'	S 11° 50' 53" W
L32	11.25'	S 56° 37' 27" W
L33	50.00'	S 07° 00' 00" E
L34	11.25'	S 70° 37' 27" E
L35	120.00'	S 07° 00' 00" E

LINE TABLE		
LINE #	LENGTH	DIRECTION
L36	28.89'	S 85° 05' 11" E
L38	90.84'	S 38° 57' 44" E
L40	114.07'	S 78° 00' 00" E
L41	145.00'	S 12° 00' 00" W
L42	60.60'	S 78° 00' 00" E
L43	453.00'	S 12° 00' 00" W
L44	5.50'	S 12° 00' 00" W
L46	197.88'	N 78° 00' 00" W
L47	178.00'	S 12° 00' 00" W
L48	200.00'	N 78° 00' 00" W
L49	50.25'	N 83° 42' 38" W
L50	21.39'	N 78° 00' 00" W
L52	111.65'	N 23° 55' 30" W
L53	228.20'	S 46° 21' 20" W
L54	628.12'	S 16° 21' 26" W

CURVE TABLE					
CURVE #	RADIUS	CHORD BEARING	CHORD LENGTH	ARC LENGTH	DELTA
C1	2140.00'	S 37° 41' 44" E	1250.51'	1269.02'	33°58'35"
C2	25.00'	N 51° 33' 53" W	9.37'	9.43'	21°36'04"
C3	25.00'	N 69° 23' 23" W	8.30'	8.34'	19°06'15"
C4	15.00'	S 62° 04' 46" E	11.78'	12.10'	46°14'04"
C5	30.00'	S 58° 28' 52" E	20.05'	20.44'	39°02'16"
C6	10.00'	S 57° 00' 00" W	14.14'	15.71'	90°00'00"
C7	254.00'	N 53° 48' 36" W	208.16'	214.48'	48°22'48"

INFORMATION NOT COMPLETE  
 WITHOUT ALL SHEETS

**HAMILTON**  
 ENGINEERING & SURVEYING, LLC

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 SARASOTA, FL 32807  
 TEL: 941 377 9178

### LONGLEAF PHASES 3-5

#### CDD BOND

SEC TWP RNG: 18 & 19/26S/17E	JOB NUMBER: 24HAM####	DRAWN BY: CTV	DATE: 08/27/2024
			SHEET: 4 OF 4

**APPENDIX C**

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

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MASTER TRUST INDENTURE  
BETWEEN  
LONLEAF COMMUNITY DEVELOPMENT DISTRICT  
AND  
SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION,  
as Trustee  
DATED AS OF MAY 1, 1999

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MASTER TRUST INDENTURE

THIS IS A MASTER TRUST INDENTURE, dated as of May 1, 1999, by and between LONGLEAF COMMUNITY DEVELOPMENT DISTRICT, a local unit of special-purpose government organized and existing under the laws of the State of Florida (the "District"), and SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, as trustee (the "Trustee"), a national banking association having the authority to accept trusts of the type herein set forth.

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, 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 projects, 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, and operation of portions of the infrastructure within and without the boundaries of the District as permitted by the Act; 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

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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, mortgaged, 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 this 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 Supplemental Indenture authorizing the issuance of the Bonds of such Series and the District covenants and agrees with the Trustee, for 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:

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"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 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 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.

"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 Additional Bonds or any Subordinate 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, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170 Florida Statutes (1997), if any such interest is

collected by or on behalf of the District, 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 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 a writing directed to the Trustee to perform the act or sign the document in question.

"Benefit Special Assessments" shall mean assessments levied and collected in accordance with Section 190.021(2), Florida Statutes (1997), 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.

"Capital Appreciation Bonds" shall mean Bonds issued under this 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.

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"Capitalized Interest Account" shall mean any Capitalized Interest Account to be established within the Debt Service Fund by the 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, but shall not include any Impact Fees.

"Consulting Engineers" shall mean any engineering firm or corporation having a favorable repute for skill and experience employed by the District in connection with any Series Project.

"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 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 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.

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"Delinquent Assessments" shall mean, collectively, any and all installments of any Assessments or Benefit Assessments which are not paid on 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 the District as a depository of moneys subject to the provisions of this Master Indenture.

"District" shall mean Longleaf Community Development District, a community development district created 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.

"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 created hereunder, 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.

"Impact Fees" shall mean the fees imposed by the District on new users connecting to a system of the District which represent a pro rata share of the costs of the system which are attributable to the increased demand such additional connections or use create upon the system.

"Indenture" shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or 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 interest of and/or principal on Bonds of such Series shall be due and payable in each Bond Year.

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"Investment Obligations" shall 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) United States Government Obligations;

(ii) obligations of the Government National Mortgage Association (including participation certificates issued by such Association);

(iii) obligations of the Federal National Mortgage Association (including participation certificates issued by such Association);

(iv) obligations of Federal Home Loan Banks;

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

(vi) commercial paper rated in the top two rating category by both Moody's and S&P;

(vii) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the top two rating categories by both Moody's and S&P;

(viii) 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 by both Moody's and S&P, and (B) shares of money market mutual funds that invest only in United States Government Obligations 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;

(ix) repurchase agreements relating to securities described in clauses (i), (ii) and (iii) above, with a bank, trust company, insurance company, financial services company or other similar organization whose unsecured, uninsured and unguaranteed long term debt (or that of its parent if the parent has fully guaranteed its subsidiary's obligations) is, at the time the repurchase agreement is entered into, rated at least "AA" (without regard to gradation) by S&P and "Aa" (without regard to gradation) by Moody's. All repurchase agreements shall be with (a) a registered broker/dealer subject to the Securities Investors Protection Corporation Jurisdiction, or (b) any bank which is a member of the Federal Deposit Insurance Corporation and which has combined capital, surplus and undivided profits of not less than \$50,000,000.

(x) any other investment approved in writing by the Owners of a majority in aggregate principal amount of the Bonds; and

(xi) 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 is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation).

Under all circumstances, the Trustee shall be entitled to request and to receive from the District a certificate of an Authorized Officer setting forth that any investment directed by the District is permitted under the Indenture.

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"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. With respect to Variable Rate Bonds, the interest rate used to calculate the Maximum Annual Debt Service Requirement, other than for purposes of the Series Reserve Account Requirement, shall be assumed to be one hundred ten percent (110%) of the greater of (a) the daily average interest on such Variable Rate Bonds during the twelve months ending with the month preceding the date of calculation or (b) the most recent effective interest rate on such Variable Rate Bonds prior to the date of calculation. If such Variable Rate Bonds were not outstanding for a full twelve months ending with the month immediately preceding the date of calculation, the rate described in clause (b) of the immediately preceding sentence shall be used. If Bonds are Option Bonds, the date or dates of tender shall be disregarded, unless actually tendered and not remarketed, and the stated maturity dates thereof shall be used for purposes of this calculation. For purposes of this definition all amounts payable on a Capital Appreciation Bond shall be considered a principal payment due in the year it becomes due.

"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 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 shall have been made for the giving of such

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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; 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.

"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 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 or Benefit 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 Pasco County, Florida, or the person succeeding to his or her 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.

"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 Assessments, Impact Fees, 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 projects to be located within or without the District all in accordance with the provisions of the Act, 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 account insurance policy, a surety bond, or letter of credit 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" for Bonds of a Series shall be an amount equal to the least 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) 10% of the Outstanding principal amount of Bonds of such Series. In computing the Series Reserve Account Requirement in respect of any Bonds of a Series that constitute Variable Rate Bonds, the interest rate on such Bonds shall 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 the 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 least of the amounts specified in clause (i) above. 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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"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 to Bonds as to both 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 Pasco County, Florida, or the person succeeding to his or her 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 delivered in connection with 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.

"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 and, the deposits of which are secured or insured in the manner required by Florida or federal 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 SunTrust Bank, Central Florida, National Association, with its designated corporate trust office in Orlando, Florida and any successor trustee appointed or serving pursuant to Article VI hereof.

"United States Government Obligations" means direct obligations of, or obligations the timely payment of the principal of and interest on which is fully guaranteed by, the United States of America.

"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.

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## 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 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 permitted by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and shall 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 (j) 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 (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. 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 by written notice delivered to the Paying Agent 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 or all of the then Outstanding 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 or Vice Chairman of the governing body, shall be attested and countersigned by, or bear the facsimile countersignature of, the Secretary or any Assistant Secretary, and the certificate of authentication appearing on the face of the Bonds shall be manually signed by, 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 transfer 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 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 registration 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 as herein provided. 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 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.

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**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; (iii) paying the costs and expenses of issuing such Series of Bonds; and (iv) undertaking other acts permitted by the Act.

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, 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 thereon, specifying other details of such Series of Bonds, and directing the delivery of such Series of Bonds to or upon 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; and
- (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 Board of Supervisors 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:

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applicable Supplemental Indenture. 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, 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.

**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.

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(i) the amount received as accrued interest on the Bonds, if any, 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 or as otherwise provided in the Supplemental Indenture.

(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 in 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 cancelled 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 and upon the cancellation of such mutilated Bond, or in lieu of and in substitution for such Bond destroyed or lost, 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 furnishing the District and the Trustee with indemnity satisfactory to them.

**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 Notes 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 or as provided in the

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### ARTICLE III REDEMPTION OF BONDS

**Section 301. Redemption Generally.** The Bonds of any Series shall be subject to redemption, 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 such 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 the smallest Authorized Denomination for Bonds of such Series (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 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 and shall no longer be Outstanding.

The District may purchase a Bond or Bonds of a Series in the open market in accordance with Section 506 (ii) hereof 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(ii) 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 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

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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 of 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 (described below) 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 (described below) that disseminate securities redemption notices, 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.

Securities Depositories include: The Depository Trust Company, Midwest Securities Trust Company, Philadelphia Depository Trust Company, or, in accordance with the then-current guidelines of the Securities and Exchange Commission, to such other securities depositories or any such other depositories as the District may designate in writing to the Bond Registrar at least ten (10) days prior to the date that any notice is required to be given.

Information Services include: Financial Information, Inc., Kenny Information Systems, Inc., Moody's Investors Service, and Standard and Poor's Corporation; or, in accordance with the then-current guidelines of the Securities and Exchange Commission, to such other services providing information with respect to called bonds, or any other such services as the District may designate in writing to the Bond Registrar at least ten (10) days prior to the date that any notice is required to be given.

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 cancelled upon the surrender thereof.

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#### 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 and 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 constructing and acquiring the Series 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 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(ii) 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, rating agency fees, fees of financial advisors, engineer's fees, 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.

(iii) **Acquisition Expenses.** The costs of acquiring, by purchase or condemnation, all of the land, structures, improvements, rights-of-way, franchise, 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 and construct the Project and payments, contributions, dedications 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 for labor and materials, including equipment and fixtures, by contractors, builders, and materialmen in connection with the acquisition and construction of the Project.

(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) **Refinancing Costs.** All costs described in (i) through (v) 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 or as otherwise provided in the Supplemental Indenture, and used for the purposes set forth for such Account or as otherwise provided in the Supplemental Indenture relating to such Series of Bonds.

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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.

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 authorized and may be established pursuant to a Supplemental Indenture and shall be held by the Trustee:

(i) **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;

(ii) **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;

(iii) **Debt Service Fund**, and within such Fund there may be established by Supplemental Indenture authorizing a Series of Bonds,

- (a) a Series Interest Account,
- (b) a Series Principal Account,
- (c) a Series Sinking Fund Account,
- (d) a Series Redemption Account and therein a Prepayment Subaccount and an Optional Redemption Subaccount, and
- (e) a Capitalized Interest Account

for each such Series of Bonds issued hereunder;

(iv) **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

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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 all such Pledged Revenues (except Prepayments), into the related Series Revenue Account and to immediately deposit all Prepayments, when received, into the Prepayment Subaccount of 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 Accounts.**

(i) **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:

(a) 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;

(b) 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;

(c) 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; and

(d) 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;

(e) 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

(f) to the credit of the Series Rebate Account the Rebate Amount, if any, designated in writing to the Trustee and 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, 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

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(v) **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 disburse 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.**

(i) **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:

- (a) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;
- (b) payments made to the District from the sale, lease or other disposition of the Series Project or any portion thereof;
- (c) any insurance proceeds with respect to the loss or destruction of the Series Project or any portion thereof; and
- (d) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Account shall be applied to the Cost of the Series Project; provided, however, that if any amounts remain in the Series 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.

(ii) **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 (ii). 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 and, except for payments of Cost of Issuance or capitalized interest, a certification of the Consulting Engineer also in the form of Exhibit "A" hereto.

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(ii) or the expenditure of any funds withdrawn pursuant to the provisions hereof.

(iii) **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.

(iv) **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

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succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account.

(ii) **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 of 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, the Amortization Installment required to be paid into the Series Redemption Account in such Bond Year, and the required amount is on deposit in the Series Reserve Account 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 (ii), 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, or used for any lawful purpose of the District.

(iii) **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.

(iv) **Series Principal, Sinking Fund and Interest Accounts.** Moneys held for the credit of a Series Principal Account, a Series Sinking Fund Account and Series Interest 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.

(v) **Series Redemption Account.** Moneys identified in writing by an Authorized Officer to the Trustee as Prepayments shall be deposited in a Series Redemption Account and 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(i) hereof.

(vi) **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

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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.

#### Section 506. Optional Redemption.

(i) **Excess Amounts in Series Redemption Account.** The Trustee shall call for redemption on each Interest Payment Date on which Bonds are subject to optional redemption, from moneys on deposit in an optional redemption subaccount of 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.

(ii) **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 highest Redemption Price for the Bond so purchased 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 (but solely from the sources hereinafter mentioned), 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, and the principal portion of the purchase price of Term Bonds from the related Series Redemption 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 or related Series Redemption Account to pay the principal amount of the purchase price of any Serial Bond or Term Bond, respectively, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts, 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 Revenue Account together with amounts in the applicable accounts provided for above to pay the purchase price of such Bonds; (ii) setting forth the amounts and maturities of Bonds of such Series which are to be purchased 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 and interest on all Bonds of such Series.

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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 Investment Obligations in accordance with the written direction of an Authorized Officer) or for failure to achieve the maximum possible earnings or sale price on investments. The Trustee shall have no obligation to invest funds absent written direction from the District.

(iv) **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, except as otherwise provided in the Supplemental Indenture applicable to a Series of Bonds, shall value the assets in each of the Funds and Accounts established hereunder as of the close of business on the last Business Day of each Bond 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 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 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 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 Requirement.

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(iv), 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

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#### Section 507. Rebate Fund and Series Rebate Accounts.

(i) **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.

(ii) **Payment to United States.** The District shall pay to the Trustee the Rebate Amount 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. Such amount shall be deposited to the Series Rebate Account. 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 at least ten (10) days 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 an administrative and operating expense of the District payable or reimbursable from the Series Revenue Account in accordance with Section 505(ii) hereof.

(iii) **Deficiencies** Error! Bookmark not defined.. 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 (i) 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.

(i) **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.

(ii) **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.

(iii) **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 written 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

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Redemption Account or the Series Principal Account or as otherwise provided in the applicable Supplemental Indenture.

**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:

(i) 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 or as otherwise provided in a Supplemental Indenture;

(ii) 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 or as otherwise provided in a Supplemental Indenture.

**Section 511. Cancellation of the Bonds.** All Bonds paid, redeemed or purchased, either at or before maturity, shall be cancelled upon the payment, redemption or purchase of such Bonds. All Bonds cancelled 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.

**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 under any Supplemental Indenture, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, and 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 duty to take any action hereunder except as provided in Section 912 hereof 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 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, the removal thereof. As security for the foregoing, the District hereby grants to the Trustee a security interest in and to the amounts on 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(i) 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 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). 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 the Outstanding Bonds. The Trustee may, but shall not be required to, 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.** Before taking any action under this Master Indenture (other than actions under Articles II (except section 209 thereof), III, IV and V and Section 606, 903 and 905 hereof) or a Supplemental Indenture (other than Article II and IV of the First Supplemental Trust Indenture and the similar provisions of any other Supplemental Indenture), 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, voucher, 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 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.

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**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 or upon order of the District and filed with the Trustee and the District provided that no Event of Default has occurred hereunder and is continuing.

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, the Owners of not less than a majority in principal amount 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, except for predecessor trustee's right under Section 604 hereof. 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.

**Section 616. Merger of Trustee.** Any corporation into which any Trustee hereunder may be merged or converted or with which it may be consolidated or into which substantially all of its assets shall be sold or otherwise conveyed, 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 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 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 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 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 fully vested with all the estates, properties, 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 Bond 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

into which substantially all of its assets shall be sold or otherwise conveyed, 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.

ARTICLE VII  
FUNDS CONSTITUTE TRUST FUNDS

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

(i) 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;

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

(iii) 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;

(iv) 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 of priority as set forth in Section 905 hereof upon the occurrence of an Event of Default; and

(v) 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.

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ARTICLE VIII  
COVENANTS AND AGREEMENTS OF THE DISTRICT

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 Revenues. 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 the and 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

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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 Series 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 Bonds, by gift or dedication thereof to Pasco County, Florida, or to the State or any agency or instrumentality of either of the foregoing; 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.

(i) Annual Report. The District shall, within one hundred eighty (180) days after the close of each Fiscal Year 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 on a monthly basis, file with the District a summary with respect to each Fund and Account of the deposits thereto and disbursements therefrom during the immediately prior month the amounts held therein at the end of such month. For purposes of the foregoing, the term "Requesting Owner" shall mean the Owner (or beneficial owner in the case of book-entry Bonds) of more than \$1,000,000 or all of the then outstanding aggregate principal amount of any Series of Bonds who requests such information in writing to the District.

(ii) No Default Certificate. The District shall file with the Trustee, so long as any Bonds are Outstanding, within ninety (90) days after the close of each Fiscal Year, a certificate of an Authorized Officer stating whether or not, to the knowledge of the signer, the District is in default with respect to any of the covenants, agreements or conditions on its part contained in this Master Indenture and in any Supplemental Indenture and, if so, the nature of such default and actions taken or to be taken to remedy such default.

(iii) 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

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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.

(iv) **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 (1997), 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.

**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 any 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 the Rebate Amount at the time and place required by this Master Indenture and any Supplemental Indenture, including any Tax Regulatory Covenants contained therein. The District further covenants that, so long as the Bonds remain outstanding, it will take no action that will cause the Bonds to be "private activity bonds" and that it will perform all obligations required by law to assure that interest on the Bonds remains excludable from gross income for federal income tax purposes.

**Section 810. Enforcement of Payment of Assessments.** The District will assess, levy, collect or cause to be collected and enforce the payment of 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 Assessments in accordance with applicable Florida law.

**Section 812. Delinquent Assessments.** 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 Assessment, shall be enforced in accordance with Chapter 190.021(4), Florida Statutes (1997), or collected pursuant to the provisions of Chapters 170 and 197, Florida Statutes (1997), 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, then upon the delinquency of any Assessment or Benefit Special Assessment, the District, 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 170.10, Florida Statutes (1997), 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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**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 (1997), 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 one (1) Business Day 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 Assessment or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property shall then be purchased by the District for an amount equal to the balance due on the Assessment 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 the District causes 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 the District causes 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 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 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. The District may, however, impose and levy assessments or ad valorem taxes payable on a parity with the Assessments securing a Series of Bonds.

**Section 816. Re-Assessments.** If any Assessment or Benefit Special Assessment 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 Assessment or Benefit Special Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessment or Benefit Special Assessment 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 benefited 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.

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

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#### 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 Series 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:

- (i) Any payment of Debt Service on such Series of Bonds is not made when due;
- (ii) 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;
- (iii) 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;
- (iv) 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 is 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;
- (v) 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;
- (vi) 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
- (vii) The District shall default in the due and punctual performance of any of the 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 to the District by the Trustee or, by the Owners of not less than ten per centum (10%) in the aggregate principal amount of the Bonds of such Series then Outstanding.

**Section 903. Acceleration of Maturities of Bonds of a Series.** Upon the happening and continuance of any Event of Default specified in clauses (i) through (vi) and (vii) to the extent such default under (vii) results in the interest on Tax Exempt Bonds no longer being excludable from gross

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income for federal income tax purposes of Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Owners of not less than a majority 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 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 Section) shall have been remedied, then the Owners of not less than a majority 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 and the Trustee, 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 a majority 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 of 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:

(i) 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.

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.

(ii) 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 installment of interest, 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.

(iii) 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 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 (ii) 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, to the extent known by the Trustee, 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 Bonds 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 all liability.

## ARTICLE X

### EXECUTION OF INSTRUMENTS BY OWNERS AND PROOF OF OWNERSHIP OF BONDS

**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.

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

- (i) to provide for the initial issuance of a Series of Bonds or refunding bonds of a Series; or
- (ii) 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
- (iii) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Master Indenture; or
- (iv) to grant to the Owners or to the Trustee on behalf of the Owners any additional rights or security that may lawfully be granted;
- (v) 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;
- (vi) to make such changes as may be necessary in order to reflect amendments to Florida Law, so long as, in the opinion of Bond 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
- (vii) 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, upon which opinion the Trustee must conclusively rely.

Section 1102. **Supplemental Indentures With Owner Consent.** Subject to the provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have 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 or of any Supplemental Indenture; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds then Outstanding which was effected thereby;

- (i) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond;

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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 indentures supplemental to a Supplemental Indenture, no such indentures shall be effective unless and until there shall have been delivered to the Trustee the opinion of Bond Counsel to the effect that such indentures is permitted pursuant to this Master Indenture and that such indentures is the valid and binding obligation of the District enforceable in accordance with its terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or general equitable principles, upon which opinion the Trustee may conclusively rely. In addition, if such indentures relates to a Series of Tax Exempt Bonds, such opinion shall also state that such indentures 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, and such issuer is not in default of its obligations under the Credit or Liquidity Facility, as the case may be, 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 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.

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- (ii) a reduction in the principal, premium, or interest on any Bond;
- (iii) a preference or priority of any Bond over any other Bond; or
- (iv) 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 a majority 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 hereto, 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.

- (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;
- (c) a preference or priority of any Bond of such Series over any other Bond of such Series;
- (d) a reduction in the aggregate principal amount of the Bonds of such Series required for consent to such indentures supplemental to the Supplemental Indenture; or

Notwithstanding the provisions of paragraph (a) above, at any time while an Event of Default is continuing, any amendment which would otherwise require the consent of the Owners of all Bonds then Outstanding and effected by such change shall only require the consent of the Owners of a majority in aggregate principal amount of Bonds Outstanding so affected.

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, at the expense of the District, 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

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ARTICLE XII  
DEFEASANCE

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

(i) 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 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 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.

(ii) 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 (i) of this Section 1201 if: (a) 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; (b) 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; (c) the District shall have given the Trustee or the Bond Registrar in form satisfactory to it irrevocable instructions to mail, postage prepaid, to each

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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 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; (d) 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; and (c) if such defeasance is being accomplished in whole or in part with the proceeds of Refunding Bonds being deposited in an escrow or similar account the District shall have written evidence that such series of Bonds being defeased will, upon such deposit be rated in the highest rating category by Moody's or S&P and the escrow agreement pursuant to which the deposit will be held provided that the District will not exercise any optional redemption with respect to such defeased Bonds nor expressly required to be exercised under such escrow agreement and will not exercise any other redemption with respect to such defeased Bonds other than mandatory sinking fund redemption. 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.

(iii) 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 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 Federal Securities 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 any 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.

(iv) 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

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#### ARTICLE XIII MISCELLANEOUS PROVISIONS

**Section 1301. Effect of Covenants.** 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:

To the District, addressed to:

Longleaf Community Development District  
c/o District Manager  
Rizzetta & Company, Incorporated  
3550 Bushwood Drive, Suite 135  
Tampa, Florida 33618

To the Trustee, addressed to:

SunTrust Corporate Trust  
225 East Robinson Street, Suite 250  
Orlando, Florida 32801  
Attn: Corporate Trust Administration

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. Notwithstanding the foregoing, the Trustee shall not be obligated to maintain any such documents beyond the period of two (2) years from the receipt thereof.

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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 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 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.

(v) 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.

(vi) 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.

(vii) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (ii) through (vi) 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 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.

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**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 Vice Chairman of the Board of Supervisors 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.

**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. Attorney's 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.

**Section 1310. Counterparts.** This Indenture may be executed in multiple counterparts, each of which shall be regarded for all purposes as an original, and such counterparts shall constitute but one and the same instrument.

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Section 1311. Effective Date. This Master Indenture shall be effective as of the date first above written.

EXHIBIT "A"

FORM OF REQUISITION

[SEAL]

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT

Attest:

Secretary

By: Chairman, Board of Supervisors

The undersigned, an Authorized Officer of Longleaf 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 SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), dated as of May 1, 1999 (the "Master Indenture"), as amended and supplemented by the Supplemental Indenture from the District to the Trustee, dated as of 1999 (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, 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.

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.

There shall be attached a resolution of the Governing Body of the District approving this requisition or the approving the specific contract with respect to which disbursements pursuant to this requisition is due and payable.

[SEAL]

SunTrust Bank, Central Florida, National Association, as Trustee



By: Janice Entsminger Authorized Signatory

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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.

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT

By: Authorized Officer

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

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 attached as an Exhibit to the Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

Consulting Engineer

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ORL#128066.04

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This Table of Contents is incorporated herein for ease of reference only and shall not be deemed a part of this Sixth Supplemental Trust Indenture.

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**SIXTH SUPPLEMENTAL TRUST INDENTURE**

BETWEEN

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT**

AND

**U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION,  
AS SUCCESSOR IN INTEREST TO SUNTRUST BANK,  
CENTRAL FLORIDA, NATIONAL ASSOCIATION**

AS TRUSTEE

Dated as of September 1, 2024

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**[\$(Bond Amount)] Capital Improvement Revenue Bonds, Series 2024A  
(Neighborhood 4 – Assessment Area Two)**

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**SIXTH SUPPLEMENTAL TRUST INDENTURE**

**THIS SIXTH SUPPLEMENTAL TRUST INDENTURE** (this "Sixth Supplemental Indenture") is dated as of September 1, 2024, between **LONGLEAF COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), a national banking association, authorized to accept and execute trusts of the character herein set forth, with its designated corporate trust office located at 225 East Robinson Street, Suite 250, Orlando, Florida 32801, Attention: Corporate Trust Department.

**WHEREAS**, the District entered into a Master Trust Indenture, dated as of May 1, 1999 (the "Master Indenture" and together with this Sixth Supplemental Indenture, the "Indenture") with the Trustee to secure the issuance of bonds (the "Bonds"), issuable in one or more Series from time to time; and

**WHEREAS**, pursuant to Resolution No. 2021-03, adopted by the Governing Body of the District on April 27, 2021, the District has authorized the issuance, sale and delivery of not to exceed \$25,185,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Sixth Judicial Circuit of Florida, in and for Pasco County on August 12, 2021, the appeal period for which expired with no appeal having been taken; and

**WHEREAS**, the Governing Body of the District duly adopted Resolution No. 2024-01, on October 17, 2023, providing for the acquisition, construction and installation of assessable capital improvements within Neighborhood 4 of the District (the "Neighborhood 4 Capital Improvement Program"), providing estimated Costs of the Neighborhood 4 Capital Improvement Program, defining assessable property to be benefited by the Neighborhood 4 Capital Improvement Program, defining the portion of the Costs of the Neighborhood 4 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 the Neighborhood 4 Capital Improvement Program and the Governing Body of the District duly adopted Resolution No. 2024-04, on November 28, 2023, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property; and

**WHEREAS**, pursuant to Resolution No. 2024-13, adopted by the Governing Body of the District on September 10, 2024, the District has authorized the issuance, sale and delivery of, among other things, its \$[Bond Amount] Longleaf Community

Development District Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two) (the "Series 2024A Bonds"), which are issued hereunder as an issue of Bonds under the Master Indenture, and has ratified and confirmed the Master Indenture and authorized the execution and delivery of this Sixth Supplemental Indenture to secure the issuance of the Series 2024A Bonds and to set forth the terms of the Series 2024A Bonds; and

**WHEREAS**, the District will apply the proceeds of the Series 2024A Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Neighborhood 4 – Assessment Area Two Project (as defined herein), (b) pay certain costs associated with the issuance of the Series 2024A Bonds, (c) make a deposit into the Series 2024A Reserve Account to be held for the benefit of all of the Series 2024A Bonds, and (d) pay a portion of the interest to become due on the Series 2024A Bonds; and

**WHEREAS**, the Series 2024A Bonds will be payable from and secured in part by revenues derived from Assessments imposed, levied and collected by the District with respect to property specially benefited by the Neighborhood 4 – Assessment Area Two Project (the "Series 2024A Assessments"); and

**WHEREAS**, the execution and delivery of the Series 2024A Bonds and of this Sixth Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2024A Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Sixth Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2024A Trust Estate (hereinafter defined) have been done;

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS SIXTH SUPPLEMENTAL 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 Series 2024A 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 Series 2024A 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 Sixth Supplemental Indenture and in the Series 2024A Bonds (a) has executed and delivered this Sixth 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 established under the Master Indenture, and to them and their successors and

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Sixth Supplemental Indenture, 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 Series 2024A Bonds, as follows:

## ARTICLE I DEFINITIONS

**Section 101. 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 (a) expressly given a different meaning herein or (b) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

**"Arbitrage Certificate"** shall mean the Certificate as to Arbitrage and Certain Other Tax Matters of the District dated as of [Closing Date].

**"Assessment Methodology"** shall mean the Master Assessment Methodology Report for Neighborhood 4, dated October 10, 2023, as supplemented by the Second Supplemental Assessment Methodology Report Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 Assessment Area Two), dated September [\_\_\_], 2024, each prepared by the Methodology Consultant.

**"Authorized Denomination"** shall mean, with respect to the Series 2024A Bonds, on the date of issuance, the denomination of \$5,000 and any integral multiple thereof; provided, however, if any initial Beneficial Owner does not purchase at least \$100,000 of the Series 2024A Bonds at the time of initial delivery of the Series 2024A Bonds, such Beneficial Owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2024A Bonds an investor letter substantially in the form attached hereto as **Exhibit D** or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an "accredited investor," as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

**"Beneficial Owners"** shall have the meaning given such term by DTC so long as it is the registered Owner through its Nominee, Cede & Co., of the Series 2024A Bonds as to which such reference is made to enable such Series 2024A Bonds to be held in book-entry only form, and shall otherwise mean the registered Owner on the registration books of the District maintained by the Bond Registrar.

**"Bond Depository"** shall mean the securities depository from time to time under Section 201 hereof, which may be the District.

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assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture 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, the revenues derived by the District from the Series 2024A Assessments (the "Series 2024A Pledged Revenues") and the Funds and Accounts (except for the Series 2024A Rebate Account) established hereby (the "Series 2024A Pledged Funds") which shall constitute the Trust Estate securing the Series 2024A Bonds (the "Series 2024A Trust Estate");

**TO HAVE AND TO HOLD** all the same by the Master 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 Master Indenture, 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 Series 2024A Bonds issued or to be issued under and secured by this Sixth Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2024A Bond over any other Series 2024A Bond by reason of priority in their issue, sale or execution;

**PROVIDED 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 Series 2024A Bonds or any Series 2024A Bond of a particular maturity issued, secured and Outstanding under this Sixth Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2024A Bonds and this Sixth 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 Master Indenture and this Sixth Supplemental 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 Master Indenture and this Sixth Supplemental Indenture, then upon such final payments, this Sixth Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2024A Bonds or any Series 2024A Bond of a particular maturity, otherwise this Sixth Supplemental Indenture shall remain in full force and effect;

**THIS SIXTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2024A 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 expressed in the Master Indenture (except as amended directly or by implication by this Sixth Supplemental Indenture) and this

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**"Bond Participants"** shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds Series 2024A Bonds as securities depository.

**"Collateral Assignment"** shall mean the [Collateral Assignment and Assumption of Development Rights Relating to the Neighborhood 4 – Assessment Area Two Project] between the District and the Developer, dated as of [Closing Date].

**"Completion Agreement"** shall mean the [Funding and Completion Agreement (Neighborhood 4 – Assessment Area Two)] between the District and the Developer, dated as of [Closing Date].

**"Continuing Disclosure Agreement"** shall mean the Continuing Disclosure Agreement, by and among the District, the Developer and Inframark, LLC, as dissemination agent, dated as of [Closing Date].

**"Delinquent Assessment Interest"** shall mean Series 2024A Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2024A Assessment Interest has, or would have, become delinquent under State law or the Series 2024A Assessment Proceedings applicable thereto.

**"Delinquent Assessment Principal"** shall mean Series 2024A Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2024A Assessment Principal has, or would have, become delinquent under State law or the Series 2024A Assessment Proceedings applicable thereto.

**"Delinquent Assessments"** shall mean, collectively, Delinquent Assessment Principal and Delinquent Assessment Interest.

**"Developer"** shall mean Hawk Longleaf, LLC, a Delaware limited liability company.

**"Direct Billed"** shall mean Assessments or Operation and Maintenance Assessments, as applicable within the context in which such reference is made, which are billed directly by the District rather than collected on the tax bill using the Uniform Method.

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

**"Engineer's Report"** shall mean the Master Engineer's Report for Neighborhood 4, dated October 10, 2023, prepared by Johnson Engineering, Inc., as supplemented by the Supplemental Engineer's Report Neighborhood 4 – Assessment Area Two, dated September 10, 2024, prepared by BGE, Inc., copies of which are

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attached hereto as Exhibit A, as the same may be amended from time to time pursuant to approval by the Governing Body of the District.

**"Interest Payment Date"** shall mean each May 1 and November 1, commencing May 1, 2025.

**"Limited Offering Memorandum"** shall mean that certain Limited Offering Memorandum dated [BPA Date], with respect to the Series 2024A Bonds.

**"Majority Owners"** shall mean the Beneficial Owners of more than fifty percent (50%) in principal amount of the Outstanding Series 2024A Bonds.

**"Methodology Consultant"** shall mean Inframark, LLC.

**"Neighborhood 4 – Assessment Area Two"** shall mean the 63.94 gross acres constituting Phases 3, 4 and 5 of Neighborhood 4 within the District, planned to include 189 residential units, as more fully described in the Engineer's Report and the Assessment Methodology.

**"Neighborhood 4 – Assessment Area Two Project"** shall mean that portion of the Neighborhood 4 Capital Improvement Program benefiting Neighborhood 4 – Assessment Area Two to be financed in part with the proceeds of the Series 2024A Bonds on deposit in the Series 2024A Acquisition and Construction Account, as more particularly described in the Engineer's Report.

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

**"Operation and Maintenance Assessments"** shall mean assessments described in Section 190.021(3) or 190.022(1) of the Act, for the maintenance of District facilities or the operations of the District.

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

**"Redemption Date"** shall mean a Quarterly Redemption Date in the case of a partial redemption of Outstanding Series 2024A Bonds, or any date in the case of the redemption of all of the Outstanding Series 2024A Bonds.

**"Reserve Account Release Conditions #1"** shall mean, collectively, that (a) all lots subject to Series 2024A Assessments have been developed and platted, (b) all lots subject to Series 2024A Assessments have been sold and closed by the Developer to home builders, and (c) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2024A Bonds. The Consulting Engineer shall provide a written certification to the District and the Trustee certifying that the event

in clause (a) has occurred and the District Manager shall provide a written certification to the District and the Trustee certifying that the event in clause (b) has occurred and affirming clause (c), on which certifications the Trustee may conclusively rely.

**"Reserve Account Release Conditions #2"** shall mean, collectively, that (a) all of the Reserve Account Release Conditions #1 have been satisfied, (b) all homes within Neighborhood 4 – Assessment Area Two have been built and have received a certificate of occupancy, (c) all of the principal portion of the Series 2024A Assessments has been assigned to such homes, (d) all Series 2024A Assessments are being collected pursuant to the Uniform Method, and (e) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2024A Bonds. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) through (d) have occurred and affirming clause (e), on which certifications the Trustee may conclusively rely.

**"Series 2024A Assessment Interest"** shall mean the interest on the Series 2024A Assessments which is pledged to the Series 2024A Bonds.

**"Series 2024A Assessment Principal"** shall mean the principal amount of Series 2024A Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2024A Bonds, other than applicable Delinquent Assessment Principal and Series 2024A Prepayments.

**"Series 2024A Assessment Proceedings"** shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2024A Assessments which include Resolution Nos. 2024-01, 2024-02 and 2024-04, adopted by the Governing Body of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2024A Assessments and the Assessment Methodology as approved thereby.

**"Series 2024A Assessment Revenues"** shall mean all revenues derived by the District from the Series 2024A Assessments, including Delinquent Assessments, proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2024A Bonds.

**"Series 2024A Assessments"** shall mean the non-ad valorem special assessments imposed, levied and collected by the District in accordance with the Series 2024A Assessment Proceedings.

**"Series 2024A Investment Obligations"** shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District:

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(a) Government Obligations;

(b) 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 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; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(c) Both (i) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's and S&P, and (ii) shares of money market mutual funds that invest only in the obligations described in (a) and (b) above;

(d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P; and

(e) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P.

Under all circumstances, the Trustee shall be entitled to conclusively rely that any investment directed in writing by an Authorized Officer of the District is permitted under the Indenture and is a legal investment for funds of the District.

**"Series 2024A Prepayment Interest"** shall mean the interest on the Series 2024A Prepayments received by the District.

**"Series 2024A Prepayments"** shall mean the excess amount of Series 2024A Assessment Principal received by the District over the Series 2024A Assessment Principal included within a Series 2024A Assessment appearing on any outstanding and unpaid tax bill or direct collect invoice, whether or not mandated to be prepaid in accordance with the Series 2024A Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2024A Prepayments shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

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**"Series 2024A Reserve Account Requirement"** shall mean an amount equal to the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #1 are met, at which time and thereafter, Series 2024A Reserve Account Requirement shall mean an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions #2 are met, at which time and thereafter, Series 2024A Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2024A Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2024A Bonds, the Series 2024A Reserve Account Requirement shall be \$[RAR].

**"Substantially Absorbed"** shall mean the date on which the principal amount of the Series 2024A Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2024A Bonds is levied on tax parcels within Neighborhood 4 – Assessment Area Two with respect to which a certificate of occupancy has been issued for a structure thereon, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

**"True-Up Agreement"** shall mean the [True-Up Agreement (Neighborhood 4 – Assessment Area Two)] between the District and the Developer, dated as of [Closing Date].

**"Underwriter"** shall mean FMSBonds, Inc., the underwriter of the Series 2024A Bonds.

**"Uniform Method"** shall mean the uniform method for the levy, collection and enforcement of Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes.

## ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2024A BONDS

**Section 201. Authorization of Series 2024A Bonds; Book-Entry Only Form.** The Series 2024A Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$[Bond Amount] for the purposes enumerated in the recitals hereto to be designated "Longleaf Community Development District Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two)." The Series 2024A Bonds shall be substantially in the form attached hereto as Exhibit B. Each Series 2024A Bond shall bear the designation "2024AR" and shall be numbered consecutively from 1 upwards.

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The Series 2024A Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2024A Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2024A Bond 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 Series 2024A Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC.

With respect to Series 2024A 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 (a) the accuracy of the records of DTC, Cede & Co., or any Bond Participant with respect to any ownership interest in the Series 2024A Bonds, (b) 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 Series 2024A Bonds, including any notice of redemption, or (c) 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 Series 2024A Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2024A Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2024A Bond for the purpose of payment of principal, premium and interest with respect to such Series 2024A Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2024A Bond, for the purpose of registering transfers with respect to such Series 2024A Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2024A 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 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 Series 2024A 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 Series 2024A 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 Sixth 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, the Bond Registrar and the Paying Agent.

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**Section 207. Conditions Precedent to Issuance of Series 2024A Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2024A Bonds, all the Series 2024A 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:

- (a) certified copies of the Series 2024A Assessment Proceedings;
- (b) executed copies of the Master Indenture and this Sixth Supplemental Indenture;
- (c) a customary Bond Counsel opinion;
- (d) the District Counsel opinion required by the Master Indenture;
- (e) a certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2024A Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Sixth Supplemental Indenture;
- (f) an Engineer's Certificate and a copy of the Engineer's Report, which sets forth the estimated Costs of the Neighborhood 4 – Assessment Area Two Project;
- (g) a certificate of the Methodology Consultant addressing the validity of the Series 2024A Assessments;
- (h) a certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal; and
- (i) an executed Collateral Assignment, Completion Agreement and True-Up Agreement.

Payment to the Trustee of the net proceeds of the Series 2024A Bonds in the amount of \$[NP] shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the Underwriter.

### ARTICLE III REDEMPTION OF SERIES 2024A BONDS

**Section 301. Bonds Subject to Redemption.** The Series 2024A Bonds are subject to redemption prior to maturity as provided in the form thereof attached hereto as Exhibit B. Interest on Series 2024A Bonds which are called for redemption shall be paid on the date of redemption from the Series 2024A Interest Account or from the Series 2024A Revenue Account to the extent moneys in the Series 2024A

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Upon receipt by the Trustee or the District of written notice from DTC (a) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2024A 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 Series 2024A Bonds, or (b) 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 Series 2024A 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 Series 2024A Bonds shall designate, in accordance with the provisions hereof.

**Section 202. Terms.** The Series 2024A Bonds shall be issued as [ ] ( ) Term Bonds, shall be dated as of the date of their issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

Number	Principal Amount	Maturity Date	Interest Rate	CUSIP
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**Section 203. Dating; Interest Accrual.** Each Series 2024A Bond shall be dated [Closing Date]. Each Series 2024A Bond shall also bear its date of authentication. Each Series 2024A 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 (a) is an Interest Payment Date to which interest on such Series 2024A Bond has been paid, in which event such Series 2024A Bond shall bear interest from its date of authentication, or (b) is prior to the first Interest Payment Date for the Series 2024A Bonds, in which event such Series 2024A Bond shall bear interest from its date. Interest on the Series 2024A Bonds shall be due and payable on each May 1 and November 1, commencing May 1, 2025, and shall be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months.

**Section 204. Denominations.** The Series 2024A Bonds shall be issued in Authorized Denominations.

**Section 205. Paying Agent.** The District appoints the Trustee as Paying Agent for the Series 2024A Bonds.

**Section 206. Bond Registrar.** The District appoints the Trustee as Bond Registrar for the Series 2024A Bonds.

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Interest Account are insufficient for such purpose. Moneys in the Series 2024A Optional Redemption Subaccount shall be applied in accordance with Section 506 of the Master Indenture to the optional redemption of Series 2024A Bonds.

**Section 302. Conditional Notice.** Notwithstanding anything in the Master Indenture or this Sixth Supplemental Indenture to the contrary, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

### ARTICLE IV DEPOSIT OF SERIES 2024A BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF

**Section 401. Establishment of Accounts.** There are hereby established, as needed, the following Accounts:

- (a) within the Acquisition and Construction Fund held by the Trustee, a Series 2024A Acquisition and Construction Account, a Series 2024A Restricted Acquisition and Construction Account and a Series 2024A Costs of Issuance Account;
- (b) within the Debt Service Fund held by the Trustee: (i) a Series 2024A Sinking Fund Account; (ii) a Series 2024A Interest Account; (iii) a Series 2024A Capitalized Interest Account; and (iv) a Series 2024A Redemption Account and therein a Series 2024A Prepayment Subaccount and a Series 2024A Optional Redemption Subaccount;
- (c) within the Reserve Fund held by the Trustee, a Series 2024A Reserve Account, which shall be held for the benefit of all of the Series 2024A Bonds, without distinction as to Series 2024A Bonds and without privilege or priority of one Series 2024A Bond over another;
- (d) within the Revenue Fund held by the Trustee, a Series 2024A Revenue Account; and
- (e) within the Rebate Fund held by the Trustee, a Series 2024A Rebate Account.

**Section 402. Use of Series 2024A Bond Proceeds.** The net proceeds of sale of the Series 2024A Bonds in the amount of \$[NP] (consisting of \$[Bond Amount].00 principal amount of Series 2024A Bonds [less/plus] [net] original issue [discount/premium] in the amount of \$[OID/OIP] and less underwriter's discount in

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the amount of \$(UD)), shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 207 of the Master Indenture, be applied as follows:

(a) \$[RAR], representing the Series 2024A Reserve Account Requirement at the time of issuance of the Series 2024A Bonds, shall be deposited to the credit of the Series 2024A Reserve Account;

(b) \$[COI], representing the costs of issuance relating to the Series 2024A Bonds, shall be deposited to the credit of the Series 2024A Costs of Issuance Account;

(c) \$[CAPI], representing Capitalized Interest on the Series 2024A Bonds through and including May 1, 2025, shall be deposited to the credit of the Series 2024A Capitalized Interest Account;

(d) \$[CD] shall be deposited to the credit of the Series 2024A Acquisition and Construction Account; and

(e) \$[RCD] shall be deposited to the credit of the Series 2024A Restricted Acquisition and Construction Account.

**Section 403. Series 2024A Acquisition and Construction Account; Series 2024A Restricted Acquisition and Construction Account; Series 2024A Costs of Issuance Account.** (a) Amounts on deposit in the Series 2024A Acquisition and Construction Account shall be applied to pay Costs of the Neighborhood 4 – Assessment Area Two Project upon compliance with the requisition provisions set forth in Section 503(ii) of the Master Indenture and on the form attached hereto as Exhibit C. The Trustee shall have no duty to verify that any requested disbursement from the Series 2024A Acquisition and Construction Account is for a Cost of the Neighborhood 4 – Assessment Area Two Project. The Consulting Engineer shall establish a Date of Completion for the Neighborhood 4 – Assessment Area Two Project, and any balance remaining in the Series 2024A Acquisition and Construction Account after such Date of Completion (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Neighborhood 4 – Assessment Area Two Project which are required to be reserved in the Series 2024A Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Date of Completion), shall be transferred to the Series 2024A Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024A Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2024A Bond attached hereto as Exhibit B. Notwithstanding the foregoing, the District shall not establish a Date of Completion until both the Reserve Account Release Conditions #1 and the Reserve Account Release Conditions #2 have been satisfied and moneys have been transferred from the Series 2024A Reserve Account to the Series 2024A Acquisition and Construction Account as a result of such

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**Section 405. Series 2024A Reserve Account.** The Series 2024A Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2024A Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2024A Reserve Account shall be used only for the purpose of making payments into the Series 2024A Interest Account and the Series 2024A Sinking Fund Account to pay Debt Service on the Series 2024A Bonds, when due, without distinction as to Series 2024A Bonds and without privilege or priority of one Series 2024A Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2024A Reserve Account shall consist only of cash and Series 2024A Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee is hereby authorized and directed to recalculate the Series 2024A Reserve Account Requirement. Following such recalculation, the Trustee shall promptly notify the District of any excess on deposit in the Series 2024A Reserve Account whereupon the District shall direct the Trustee in writing to transfer such excess on deposit in the Series 2024A Reserve Account (a) resulting from Prepayments of Series 2024A Assessments into the Series 2024A Prepayment Subaccount and applied as a credit against the Prepayment otherwise required to be made by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2024A Bonds, (b) resulting from a reduction of the Series 2024A Reserve Account Requirement as the result of either the Reserve Account Release Conditions #1 or the Reserve Account Release Conditions #2 being met into the Series 2024A Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in Section 408(f) herein.

On the earliest date on which there is on deposit in the Series 2024A Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2024A Bonds, together with accrued interest and redemption premium, if any, on such Series 2024A Bonds to the earliest Redemption Date permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2024A Reserve Account into the Series 2024A Prepayment Subaccount to pay and redeem all of the Outstanding Series 2024A Bonds on the earliest Redemption Date permitted for redemption therein and herein.

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2024A Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

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satisfaction pursuant to Section 405 hereof. At such time as there are no amounts on deposit in the Series 2024A Acquisition and Construction Account, such Account shall be closed.

(b) Amounts on deposit in the Series 2024A Restricted Acquisition and Construction Account shall be held therein until the Trustee shall have received from an Authorized Officer a written certificate on or prior to October 1, 2025, on which the Trustee may conclusively rely, stating that the District has received a certificate of the Consulting Engineer certifying that all permits necessary for the development of Phase 5 of Neighborhood 4, as further described in the Limited Offering Memorandum, have been received. Upon receipt of such certificate on or before October 1, 2025, the Trustee shall transfer the amount on deposit in the Series 2024A Restricted Acquisition and Construction Account to the Series 2024A Acquisition and Construction Account to be used for the purposes of such Account, and the Series 2024A Restricted Acquisition and Construction Account shall be closed. In the event that a certificate described above has not been received by the Trustee by close of business on October 1, 2025, moneys on deposit in the Series 2024A Restricted Acquisition and Construction Account shall be transferred to the Series 2024A Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2024A Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2024A Bonds attached hereto as Exhibit B, whereupon the Series 2024A Restricted Acquisition and Construction Account shall be closed.

(c) The amount deposited in the Series 2024A Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay the costs of issuance relating to the Series 2024A Bonds. On the earlier to occur of (x) the written direction of an Authorized Officer or (y) six (6) months from the date of issuance of the Series 2024A Bonds, any amounts deposited in the Series 2024A Costs of Issuance Account for which the Trustee has not received a requisition to pay such costs shall be transferred over and deposited into the Series 2024A Acquisition and Construction Account and used for the purposes permitted therefor. Any deficiency in the amount allocated to pay the costs of issuance relating to the Series 2024A Bonds shall be paid from excess moneys on deposit in the Series 2024A Revenue Account pursuant to Section 408(d) FOURTH hereof. When such deficiency has been satisfied and no moneys remain therein, the Series 2024A Costs of Issuance Account shall be closed.

**Section 404. Series 2024A Capitalized Interest Account.** Amounts on deposit in the Series 2024A Capitalized Interest Account shall, until and including May 1, 2025, be transferred into the Series 2024A Interest Account and applied to the payment of interest first coming due on the Series 2024A Bonds in accordance with Section 408(d) hereof, and thereafter transferred into the Series 2024A Acquisition and Construction Account, whereupon the Series 2024A Capitalized Interest Account shall be closed.

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**Section 406. Amortization Installments; Selection of Bonds for Redemption.** (a) The Amortization Installments established for the Series 2024A Bonds shall be as set forth in the form of Series 2024A Bonds attached hereto.

(b) Upon any redemption of Series 2024A Bonds (other than Series 2024A Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2024A Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(ii) of the Master Indenture), the Trustee shall cause Series 2024A Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated, which recalculation shall be performed by the District, in such manner as shall amortize all the Outstanding Series 2024A Bonds of all of the maturities in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining terms of all of the Series 2024A Bonds.

**Section 407. Tax Covenants.** The District shall comply with the Arbitrage Certificate, including but not limited to the Tax Regulatory Covenants set forth as an exhibit to the Arbitrage Certificate, as amended and supplemented from time to time in accordance with their terms.

**Section 408. Series 2024A Revenue Account; Application of Revenues and Investment Earnings.** (a) The Trustee is hereby authorized and directed to deposit any and all amounts required to be deposited in the Series 2024A Revenue Account by this Section 408 or by any other provision of the Master Indenture or this Sixth Supplemental Indenture, and any other amounts or payments specifically designated by the District pursuant to a written direction or by a Supplemental Indenture for said purpose. The Series 2024A 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.

(b) The Trustee shall deposit into the Series 2024A Revenue Account (i) Series 2024A Assessment Revenues other than Series 2024A Prepayments (which Series 2024A Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2024A Prepayment Subaccount), (ii) Series 2024A Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2024A Revenue Account.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2024A Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2024A Revenue Account for deposit into the Series 2024A Prepayment Subaccount an

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amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2024A Revenue Account to pay Debt Service coming due on the Series 2024A Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024A Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024A Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2024A Bonds set forth in the form of Series 2024A Bonds attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and 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), the Trustee shall first transfer from the Series 2024A Capitalized Interest Account to the Series 2024A Interest Account the lesser of (x) the amount of interest coming due on the Series 2024A Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2024A Interest Account, or (y) the amount remaining in the Series 2024A Capitalized Interest Account. Following the foregoing transfer, on such 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), the Trustee shall then transfer amounts on deposit in the Series 2024A Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

**FIRST**, to the Series 2024A Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2024A Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2024A Capitalized Interest Account in accordance with this Section 408(d) and (ii) the amount already on deposit in the Series 2024A Interest Account not previously credited;

**SECOND**, on May 1, 20[ ], and on each May 1 thereafter, to the Series 2024A Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2024A Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2024A Sinking Fund Account not previously credited;

**THIRD**, to the Series 2024A Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2024A Reserve Account Requirement with respect to the Series 2024A Bonds; and

**FOURTH**, the balance shall first be deposited into the Series 2024A Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2024A Bonds, and then the balance shall be retained in the Series 2024A Revenue Account.

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## ARTICLE V CONCERNING THE TRUSTEE

**Section 501. Acceptance by Trustee.** The Trustee accepts the trusts declared and provided in this Sixth Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth herein and in the Master Indenture.

**Section 502. Limitation of Trustee's Responsibility.** The Trustee shall not be responsible in any manner for the due execution of this Sixth Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

**Section 503. 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.

## ARTICLE VI ADDITIONAL BONDS

**Section 601. No Parity Bonds; Limitation on Parity Assessments.** Other than Bonds issued to refund all or a portion of the then Outstanding Series 2024A Bonds, the issuance of which results in net present value debt service savings, the District shall not, while any Series 2024A Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2024A Trust Estate. In addition, the District covenants not to issue any Bonds or other debt obligations secured by Assessments on lands within the District which are also encumbered by the Series 2024A Assessments for any capital project that provides special benefit, as determined by the District, solely to Neighborhood 4 – Assessment Area Two, unless the Series 2024A Assessments have been Substantially Absorbed.

The provisions set forth above in this Section 601 do not apply to (a) any District debt issued for other lawful purposes secured by Assessments on other assessable lands within the District in addition to Neighborhood 4 – Assessment Area Two for any capital project that provides special benefit, as determined by the District, to such assessable lands and Neighborhood 4 – Assessment Area Two, or (b) the imposition of Assessments on property subject to the Series 2024A Assessments which, as determined by the District, are necessary for health, safety, and welfare reasons, to remediate a natural disaster, or imposed prior to the issuance of the Series 2024A Bonds. The Trustee and the District may rely on a certificate from the District Manager regarding the permissibility of any proposed District debt secured by Assessments to be levied on any portion of Neighborhood 4 – Assessment Area Two encumbered by the Series 2024A Assessments, and in the absence of receipt of such

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(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2024A Revenue Account to the Series 2024A Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2024A Bonds shall be invested only in Series 2024A Investment Obligations. Earnings on investments in the Series 2024A Acquisition and Construction Account, the Series 2024A Restricted Acquisition and Construction Account, the Series 2024A Interest Account and the Series 2024A Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2024A Reserve Account, and other than as set forth above, shall be deposited, as realized, to the credit of the Series 2024A Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2024A Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024A Reserve Account as of the most recent date on which amounts on deposit in the Series 2024A Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2024A Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2024A Reserve Account shall be deposited into the Series 2024A Capitalized Interest Account through May 1, 2025, and thereafter shall be deposited into the Series 2024A Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency (as defined in Section 509 of the Master Indenture) in the Series 2024A Reserve Account as of the most recent date on which amounts on deposit in the Series 2024A Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2024A Reserve Account and have created such a deficiency, then earnings on investments in the Series 2024A Reserve Account shall be retained in the Series 2024A Reserve Account until the amount on deposit therein is equal to the Series 2024A Reserve Account Requirement, and then earnings on investments in the Series 2024A Reserve Account shall be deposited into the Series 2024A Capitalized Interest Account through May 1, 2025, and thereafter shall be deposited into the Series 2024A Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2024A Reserve Account made pursuant to Section 405 hereof.

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certificate, may assume that the District may not issue debt on the same lands encumbered by the Series 2024A Assessments.

## ARTICLE VII MISCELLANEOUS

**Section 701. Confirmation of Master Indenture.** As supplemented by this Sixth Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Sixth 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 Sixth Supplemental Indenture and to the Series 2024A Bonds issued hereunder.

**Section 702. Continuing Disclosure Agreement.** Contemporaneously with the execution and delivery hereof, the District has executed and delivered the Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c-12 promulgated under the Securities Exchange Act of 1934, as amended. The District covenants and agrees to comply with the provisions of the 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 as provided in the Continuing Disclosure Agreement.

**Section 703. Additional Covenant Regarding Assessments.** In addition to, and not in limitation of, the covenants contained elsewhere in this Sixth Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the Series 2024A Assessment Proceedings heretofore adopted with respect to the Series 2024A Assessments, including the Assessment Methodology, and to levy the Series 2024A Assessments and collect any required true-up payments set forth in the Assessment Methodology in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2024A Bonds, when due.

**Section 704. Collection of Assessments.** (a) Anything herein or in the Master Indenture to the contrary notwithstanding, when permitted by law, Series 2024A Assessments levied on platted lots no longer owned by the Developer and pledged hereunder to secure the Series 2024A Bonds shall be collected pursuant to the Uniform Method, and Series 2024A Assessments levied on unplatted lands and platted lots owned by the Developer and pledged hereunder to secure the Series 2024A Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default.

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(b) Series 2024A Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date; provided, however, that such Series 2024A Assessments shall not be deemed Delinquent Assessments unless and until such Series 2024A Assessments are not paid by the applicable Interest Payment Date with respect to which they have been billed.

**Section 705. Foreclosure of Assessment Lien.** Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2024A Assessments and Series 2024A Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2024A Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2024A Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2024A 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 or in the name of a special purpose entity, title to the property for the benefit of the Owners of the Series 2024A Bonds; provided that the Trustee shall have the right acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section 705. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2024A Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, 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 benefit of the Owners of the Series 2024A Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

**Section 706. Owner Direction and Consent with Respect to Series 2024A Acquisition and Construction Account and Series 2024A Restricted Acquisition and Construction Account Upon Occurrence of Event of Default.** In accordance with the provisions of the Indenture, the Series 2024A Bonds are payable solely from the Series 2024A Pledged Revenues and the Series 2024A Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District hereby acknowledges that (a) the Series 2024A Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024A Acquisition and Construction Account and the Series

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the written direction of an Authorized Officer to pay from the Series 2024A Rebate Account, or from any other available funds as shall be provided in such written direction, the Rebate Amount to the District for remittance to the Internal Revenue Service. The Trustee may conclusively rely on such written direction and shall have no responsibility for the calculation or payment of the Rebate Amount, if any. Notwithstanding Section 507(ii) of the Master Indenture, the District shall not be required to provide the computation of the Rebate Analyst to the Trustee.

**Section 710. Provisions Relating to Bankruptcy or Insolvency of Landowner.** (a) The provisions of this Section 710 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, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Series 2024A Assessments pledged to the Series 2024A Bonds then 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 Series 2024A Bonds were issued by the District, the Owners of the Series 2024A 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 make a reasonable attempt to timely seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2024A Bonds then 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 Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2024A Assessments, the Series 2024A Bonds then Outstanding or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024A Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee and the Majority Owners of a 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 Series 2024A Assessments, the Series 2024A Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

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2024A Restricted Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2024A Bonds, the Series 2024A Pledged Funds may not be used by the District (whether to pay Costs of the Neighborhood 4 – Assessment Area Two Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the occurrence of the Event of Default the District had incurred a binding obligation with third parties for work on the Neighborhood 4 – Assessment Area Two Project and payment is for such work, and (c) upon the occurrence of an Event of Default with respect to the Series 2024A Bonds, the Series 2024A Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Neighborhood 4 – Assessment Area Two Project that will cause the expenditure of additional funds from the Series 2024A Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

**Section 707. Assignment of District's Rights Under Collateral Assignment.** Subject to the terms of the Collateral Assignment, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2024A Bonds. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment.

**Section 708. Enforcement of True-Up Agreement and Completion Agreement.** The District, either through its own actions or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement and the Completion Agreement and, upon the occurrence and continuance of a default under either or both of such Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority Owners, may, subject to the provisions of Section 912 of the Master Indenture, act on behalf of and in the District's stead to enforce the provisions of such Agreements and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement and the Completion Agreement upon demand of the Majority Owners, or the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

**Section 709. Payment of Rebate Amount.** Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall cause a Rebate Analyst to determine the Rebate Amount, if any, at the times and in the manner provided in the Tax Regulatory Covenants attached as an exhibit to the Arbitrage Certificate. If a Rebate Amount shall be due, the District shall deliver to the Trustee

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(iii) the District hereby agrees that it shall make a reasonable attempt to timely seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024A Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee and the Majority Owners of a 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 Series 2024A Assessments, 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 Series 2024A Assessments, 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 by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Series 2024A Assessments 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 to (A) file a proof of claim with respect to the Series 2024A Assessments, (B) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (C) defend any objection filed to said proof of claim.

The District acknowledges and agrees that it shall not be a defense to a breach of the foregoing covenants that it has acted on advice of counsel in not complying with the foregoing covenants.

(c) Nothing in this Section 710 shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Operation and Maintenance

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Assessments, and the District shall be free to pursue such a claim for Operation and Maintenance Assessments in such manner as it shall deem appropriate in its sole and absolute discretion; provided, however, that such claim shall not seek to reduce the amount or receipt of Series 2024A Assessments. 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 Series 2024A Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (b)(iv) above.

**Section 711. Additional Events of Default.** Section 902 of the Master Indenture is hereby amended with respect to the Series 2024A Bonds by inserting at the conclusion thereof the following paragraph:

"(viii) Any portion of the Series 2024A Assessments shall have become Delinquent Assessments and the Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in the Series 2024A Reserve Account to pay Debt Service on the Series 2024A Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series 2024A Reserve Account to pay Debt Service on the Series 2024A Bonds)."

**Section 712. Enforcement of Remedies.** Anything herein or in the Master Indenture to the contrary notwithstanding, the District covenants and agrees that it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners. Notwithstanding anything to the contrary herein, and unless otherwise directed by the Majority Owners and allowed pursuant to Federal or State law, the District acknowledges and agrees that (a) upon failure of any property owner to pay an installment of Series 2024A Assessments collected directly by the District when due, that the entire Series 2024A Assessment on the tax parcel as to which such Delinquent Assessment appertains, with interest and penalties thereon, shall immediately become due and payable as provided by applicable law and the District shall promptly cause to be brought the necessary legal proceedings for the foreclosure of liens of Delinquent Assessments, including interest and penalties with respect to such tax parcel and (b) 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.

**Section 713. No Duty to File Annual Report.** Anything in Section 808(i) of the Master Indenture to the contrary notwithstanding, the District shall not be required to file an annual report with the Trustee.

**Section 714. Brokerage Statements.** 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 715. Patriot Act Requirements of the Trustee.** To help the government fight the funding of terrorism and money laundering activities, federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses, identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, Longleaf Community Development District has caused this Sixth Supplemental Indenture to be signed in its name and on its behalf by its Chairman, and its official seal to be hereunto affixed and attested by its Assistant Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this Sixth Supplemental Indenture to be signed in its name and on its behalf by its duly authorized Vice President.

(SEAL)

**LONGLEAF COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Assistant Secretary

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

**U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION,**  
as successor in interest to SunTrust Bank,  
Central Florida, National Association,  
as Trustee

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**

**DESCRIPTION OF NEIGHBORHOOD 4 –  
ASSESSMENT AREA TWO PROJECT**

[See Report of Consulting Engineer Attached Hereto]

**EXHIBIT B  
FORM OF SERIES 2024A BONDS**

No. 2024R-

§[ ]

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2024A  
(NEIGHBORHOOD 4 – ASSESSMENT AREA TWO)**

<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Dated Date</b>	<b>CUSIP</b>
%	May 1, 20[ ]	[Closing Date]	

**Registered Owner:** CEDE & CO.

**Principal Amount:**

LONGLEAF 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 hereinafter mentioned) 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 May 1, 2025, 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 (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 (15<sup>th</sup>) day of the calendar month 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 (i) 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 Registrar as the registered Owner of this Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Orlando, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book-entry system in which case presentation shall not be required. 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 Series 2024A Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months. During any period that this Bond is registered in the name of Cede & Co., as Nominee of DTC, the provisions of the Supplemental Indenture (hereinafter defined) relating to the book-entry only system shall apply, including the payment provisions thereof. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of Bonds of the District designated "Longleaf Community Development District Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two)" in the aggregate principal amount of \$[Bond Amount] (the "Series 2024A Bonds") issued under a Master Trust Indenture, dated as of May 1, 1999 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Orlando, Florida, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), as amended and supplemented by a Sixth Supplemental Trust Indenture, dated as of September 1, 2024 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), between the District and the Trustee (the Series 2024A Bonds together with any other Bonds issued under and governed by the terms of the Master Indenture are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2024A Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Neighborhood 4 – Assessment Area Two Project, (b) pay certain costs associated with the issuance of the Series 2024A Bonds, (c) make a deposit into the Series 2024A Reserve Account to be held for the benefit of all of the Series 2024A Bonds, and (d) pay a portion of the interest to become due on the Series 2024A Bonds.

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

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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 INDENTURE. 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 TERMS HEREOF. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024A PLEDGED REVENUES AND THE SERIES 2024A PLEDGED FUNDS PLEDGED TO THE SERIES 2024A BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2024A Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Amortization Installments and Redemption Price of, and the interest on, the Series 2024A Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2024A Assessments, the terms and conditions under which the Series 2024A 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 Series 2024A Bonds and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2024A Bonds are equally and ratably secured by the Series 2024A Trust Estate, without preference or priority of one Series 2024A Bond over another. The Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on parity with the Series 2024A Bonds as to the lien and pledge of the Series 2024A Trust Estate except, under certain circumstances, Refunding Bonds, and the Supplemental Indenture contains provisions limiting the imposition of capital Assessments on property subject to the Series 2024A Assessments.

The Series 2024A Bonds are issuable only as registered bonds without coupons in current interest form in Authorized Denominations. This Bond is transferable by the registered Owner hereof or his duly authorized attorney at the designated corporate trust office of the Trustee in Orlando, 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 Bond or Bonds, in the same aggregate principal amount as the Bond or Bonds transferred, will be issued to the transferee. At the corporate trust office of the Bond Registrar in Orlando, 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. Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of Authorized Denominations and bearing interest at the same rate or rates.

The Series 2024A 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[ ], at the Redemption Price of the principal amount of the Series 2024A Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

The Series 2024A Bond maturing May 1, 20[ ], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

<b>May 1 of the Year</b>	<b>Amortization Installment</b>	<b>May 1 of the Year</b>	<b>Amortization Installment</b>
------------------------------	-------------------------------------	------------------------------	-------------------------------------

\* Final maturity

The Series 2024A Bond maturing May 1, 20[ ], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

[Remainder of Page Intentionally Left Blank]

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May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
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\* Final maturity

The Series 2024A Bond maturing May 1, 20[ ], is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the Series 2024A Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments 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:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
----------------------	-----------------------------	----------------------	-----------------------------

\* Final maturity

As more particularly set forth in the Indenture, any Series 2024A Bonds that are purchased by the District with amounts held to pay an Amortization Installment will be cancelled and the principal amount so purchased will be applied as a credit against the applicable Amortization Installment of Series 2024A Bonds. Amortization Installments are also subject to recalculation, as provided in the Supplemental Indenture, as the result of the redemption of Series 2024A Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2024A Bonds as set forth in the Supplemental Indenture.

The Series 2024A Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Neighborhood 4 – Assessment Area Two Project, by application of moneys transferred from the Series 2024A Acquisition and Construction Account to the Series 2024A Prepayment Subaccount as provided for in the Indenture; or

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and may also be subject to rescission by the District if expressly set forth in such notice.

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute an 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 Series 2024A 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.

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for two (2) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption, 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 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 sufficient to pay the principal or Redemption Price of any Series 2024A 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 Series 2024A Bonds as to the Series 2024A 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.

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(b) from amounts transferred from the Series 2024A Restricted Acquisition and Construction Account to the Series 2024A Prepayment Subaccount as provided for in the Indenture; or

(c) from amounts, including Series 2024A Prepayments, required by the Indenture to be deposited into the Series 2024A Prepayment Subaccount; or

(d) from amounts transferred from the Series 2024A Reserve Account to the Series 2024A Prepayment Subaccount resulting from a reduction in the Series 2024A Reserve Account Requirement as provided for in the Indenture; or

(e) on the date on which the amount on deposit in the Series 2024A Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2024A Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2024A Bonds shall be called for redemption, the particular Series 2024A Bonds or portions of Series 2024A Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2024A 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 date of redemption to each registered Owner of Series 2024A 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 Series 2024A Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2024A Bonds or such portions thereof on such date, interest on such Series 2024A Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024A Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2024A 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.

Pursuant to the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events or upon the later deposit of moneys therefor as shall be specified in such notice of optional redemption

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All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. 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 the execution by the Trustee of the Certificate of Authentication endorsed hereon.

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IN WITNESS WHEREOF, Longleaf Community Development District has caused this Bond to bear the signature of the Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Assistant Secretary to the Board of Supervisors.

Attest: **LONGLEAF COMMUNITY DEVELOPMENT DISTRICT**

Assistant Secretary By: Chairman, Board of Supervisors

(SEAL)

CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION, as successor in interest to SunTrust Bank, Central Florida, National Association, as Trustee

Date of Authentication: Vice President [Closing Date]

CERTIFICATE OF VALIDATION

This Bond is one of a Series of Bonds which were validated by judgment of the Sixth Judicial Circuit of Florida, in and for Pasco County rendered on August 12, 2021.

Chairman, Board of Supervisors, Longleaf Community Development District

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EXHIBIT C

FORM OF REQUISITION FOR NEIGHBORHOOD 4 - ASSESSMENT AREA TWO PROJECT

The undersigned, an Authorized Officer of Longleaf Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank Trust Company, National Association, Orlando, Florida, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee"), dated as of May 1, 1999 (the "Master Indenture"), as supplemented by the Sixth Supplemental Trust Indenture between the District and the Trustee, dated as of September 1, 2024 (the "Supplemental Indenture" and together with the Master Indenture, 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 Series 2024A Acquisition and Construction Account referenced above, that each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Neighborhood 4 - Assessment Area Two Project and each represents a Cost of the Neighborhood 4 - Assessment Area Two Project, and has not previously been paid out of such Account;

OR

this requisition is for costs of issuance payable from the Series 2024A Costs of Issuance Account that has not previously been paid out of such Account.

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

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[FORM OF 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 TRANSFER MIN ACT - Custodian under Uniform Transfer to Minors Act (Cust.) (Minor) (State)

Additional abbreviations may also be used though not in the above list.

[FORM OF 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: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

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 whatsoever.

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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.

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

LONGLEAF COMMUNITY DEVELOPMENT DISTRICT

By: Authorized Officer

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

If this requisition is for a disbursement from other than the Series 2024A Costs of Issuance Account, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Neighborhood 4 - Assessment Area Two Project and is consistent with (a) the applicable acquisition or construction contract, (b) the plans and specifications for the portion of the Neighborhood 4 - Assessment Area Two Project with respect to which such disbursement is being made, and (c) 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

**EXHIBIT D**  
**FORM OF INVESTOR LETTER**

[Date]

FMSbonds, Inc.  
The FMSbonds Building  
4775 Technology Way  
Boca Raton, Florida 33431

Re: FMSbonds Account Number \_\_\_\_\_

To Whom it May Concern:

By signing this letter, I confirm that I have the authority to act on behalf of the above referenced account and this account meets the definition of an accredited investor based upon one or more of the criteria listed below. Federal securities laws define an accredited investor in Rule 501 of Regulation D as:

1. A bank, insurance company, registered investment company, business development company, or small business investment company;
2. 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;
3. A charitable organization, corporation, or partnership with assets exceeding \$5 million;
4. A director, executive officer, or general partner of the company selling the securities;
5. A business in which all the equity owners are accredited investors;
6. 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;
7. 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
8. A trust with assets in excess of \$5 million, not formed to acquire the securities offered, whose purchases a sophisticated person makes.

D-1

I represent the following securities to be suitable for my investment objectives. A Copy of the offering document for the following security has been provided to me and I am aware that additional copies and other information may be found online at [www.fmsbonds.com](http://www.fmsbonds.com) and [www.emma.msrb.org](http://www.emma.msrb.org).

Description \_\_\_\_\_  
CUSIP \_\_\_\_\_  
Rate \_\_\_\_\_  
Maturity \_\_\_\_\_  
Rating \_\_\_\_\_

Thank you,

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

D-2



**APPENDIX D**

**FORM OF OPINION OF BOND COUNSEL**

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**FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A.,  
WITH RESPECT TO THE SERIES 2024A BONDS**

Upon delivery of the Series 2024A Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render its opinion with respect to the Series 2024A Bonds in substantially the following form:

(Date of Closing)

Board of Supervisors  
Longleaf Community  
Development District

Board Members:

We have examined a record of proceedings relating to the issuance by the Longleaf Community Development District (the "District") of its \$[Bond Amount] Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two) (the "Series 2024A Bonds"). The Series 2024A Bonds are issued under the authority of the laws of the State of Florida, including Chapter 190, Florida Statutes (the "Act") and other applicable provisions of law, and pursuant to a Master Trust Indenture, dated as of May 1, 1999 (the "Master Indenture"), as amended and supplemented by a Sixth Supplemental Trust Indenture, dated as of September 1, 2024 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), each between the District and U.S. Bank Trust Company, National Association, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "Trustee") and Resolution Nos. 2021-03 and 2024-13 adopted by the Board of Supervisors of the District on April 27, 2021 and September 10, 2024, respectively (collectively, the "Bond Resolution"). Capitalized terms used and not otherwise defined herein shall have the meanings ascribed thereto in the Indenture.

The Series 2024A Bonds are dated and shall bear interest from their date of delivery, except as otherwise provided in the Indenture. The Series 2024A Bonds will mature on the dates and in the principal amounts and will bear interest at the respective rates per annum, as provided in the Indenture and set forth in the Bond Purchase Contract executed in connection with the sale of the Series 2024A Bonds (the "Purchase Contract"). Interest on the Series 2024A Bonds shall be payable on each May 1 and November 1, commencing May 1, 2025. The Series 2024A Bonds are subject to redemption prior to maturity in accordance with the Indenture and as set forth in the Purchase Contract.

The Series 2024A Bonds are issued for the principal purposes of (a) financing a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Neighborhood 4 – Assessment Area Two Project, (b) paying certain costs associated with the issuance of the Series 2024A Bonds, (c) making a deposit into the Series 2024A Reserve Account to be held for the benefit of all of the Series 2024A Bonds, and (d) paying a portion of the interest to become due on the Series 2024A Bonds, all as more particularly described in the Indenture. The Series 2024A Bonds are payable from and secured by the Series 2024A Assessments levied on property within the District specially benefitted by the assessable improvements financed with the proceeds of the Series 2024A Bonds and also by the Series 2024A Pledged Revenues and Series 2024A Pledged Funds comprising the Series 2024A Trust Estate.

As to questions of fact material to our opinion, we have relied upon the representations of the District contained in the Bond Resolution and the Indenture and in the certified proceedings relating thereto and to the issuance of the Series 2024A Bonds and other certifications of public officials furnished to us in connection therewith including, but not limited to, the Final Judgment issued by the Circuit Court of the Sixth Judicial Circuit in and for Pasco County, Florida, in connection with the validation of the Series 2024A Bonds, without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Indenture. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Series 2024A Bonds, 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 signatures on all documents and instruments, the authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based on the foregoing, under existing law, we are of the opinion that:

1. The District is a duly created and validly existing community development district under the Act.
2. The District has the right and power under the Act to authorize, execute and deliver the Indenture, and the Indenture has been duly and lawfully authorized, executed and delivered by the District, is in full force and effect in accordance with its terms and is valid and binding upon the District and enforceable in accordance with its terms. The Indenture creates the valid pledge which it purports to create of the Series 2024A Trust Estate in favor of the Series 2024A Bonds, including the Series 2024A Assessments, in the manner and to the extent provided in the Indenture.

3. The District is duly authorized and entitled to issue the Series 2024A Bonds and the Series 2024A Bonds have been duly and validly authorized and issued by the District in accordance with the Constitution and laws of the State of Florida, the Bond Resolution and the Indenture. The Series 2024A Bonds constitute valid and binding obligations of the District as provided in the Indenture and are enforceable in accordance with their terms and the terms of the Indenture and are entitled to the benefits of the Indenture and the Act. The Series 2024A Bonds do not constitute a general indebtedness of the District or the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are solely payable from the Series 2024A Trust Estate in the manner and to the extent provided in the Indenture. No holder of the Series 2024A Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the District or the State of Florida or any political subdivision, agency or department thereof to pay the Series 2024A Bonds.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Series 2024A Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2024A Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations. The opinions set forth in this paragraph are subject to the condition that the District comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2024A Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Series 2024A Bonds to be so included in gross income retroactive to the date of issuance of the Series 2024A Bonds. The District has covenanted in the Indenture to comply with all such requirements. Ownership of the Series 2024A Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Series 2024A Bonds.

5. The Series 2024A Bonds and 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 said Chapter 220.

It should be noted that, except as may expressly be set forth in an opinion delivered by us to the underwriter for the Series 2024A Bonds on the date hereof (on which opinion only it may rely) or in our Disclosure Counsel Opinion to the District, we have not been engaged or undertaken to review (1) the accuracy, completeness or sufficiency of the Limited Offering Memorandum or other offering material relating to the Series 2024A Bonds and we express no opinion relating thereto, or (2) the

compliance with any federal or state law with regard to the sale or distribution of the Series 2024A Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that (1) the enforceability of the Indenture and the Series 2024A Bonds, respectively, may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity, and (2) we have assumed the due authorization, execution and delivery of the Indenture by the Trustee.

The opinions set forth herein 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. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

This opinion is given as of the date hereof and we assume no obligation to update, revise or supplement this opinion to reflect any facts or circumstances that may hereafter come to our attention or any changes in law that may hereafter occur.

We have examined the form of the Series 2024A Bonds and, in our opinion, the form of the Series 2024A Bonds is regular and proper.

Very truly yours,

**APPENDIX E**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

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## CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the "**Disclosure Agreement**") dated as of [Closing Date], is executed and delivered by **LONGLEAF COMMUNITY DEVELOPMENT DISTRICT** (the "**District**"), **HAWK LONGLEAF, LLC**, a Delaware limited liability company (the "**Developer**"), and **INFRAMARK, LLC** (the "**Dissemination Agent**") in connection with the issuance by the District of its \$[Bond Amount] Capital Improvement Revenue Bonds, Series 2024A (Neighborhood 4 – Assessment Area Two) (the "**Bonds**"). The Bonds are being issued pursuant to a Master Trust Indenture, dated as of May 1, 1999, as amended and supplemented by a Sixth Supplemental Trust Indenture, dated as of September 1, 2024 (together, the "**Indenture**"), each between the District and U.S. Bank Trust Company, National Association, as successor in interest to SunTrust Bank, Central Florida, National Association, as trustee (the "**Trustee**"). The District, the Developer and the Dissemination Agent covenant and agree as follows:

**1. Purpose of the Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the District, the Developer and the Dissemination Agent for the benefit of the Beneficial Owners (hereinafter defined) of the Bonds, from time to time, and to assist the Participating Underwriter (hereinafter defined) in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission ("**SEC**") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "**Rule**").

The District, the Developer and the Dissemination Agent have 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 or a governmental regulatory agency that the Rule requires the District, the Developer or the Dissemination Agent (as the case may be) to provide additional information, the District, the Developer and the Dissemination Agent, as applicable, 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 District, 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 District, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

**2. Definitions.** In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

**"Annual Filing Date"** shall mean the date set forth in Section 4(a) hereof by which the Annual Report is to be filed with the Repository.

**"Annual Financial Information"** shall mean annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 3(a) hereof.

**"Annual Report"** shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 hereof.

**"Assessments"** shall mean the non-ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

**"Audited Financial Statements"** shall mean the financial statements (if any) of the District for the applicable Fiscal Year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(a) hereof.

**"Audited Financial Statements Filing Date"** shall mean the date under State law by which a unit of local government must file its Audited Financial Statements with the State, which as of the date hereof is nine (9) months after the end of the Fiscal Year of such unit of local government, including the District.

**"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 Bond for federal income tax purposes.

**"Business Day"** shall mean a day other than (a) a Saturday, Sunday or day on which banks located in the city in which the designated corporate trust office of the Trustee and Paying Agent 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 (a) as to the District, the District Manager or its designee, or such other person as the District shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent, (b) as to the Developer, the individual(s) executing this Disclosure Agreement on behalf of the Developer or such person(s) as the Developer shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent, and (c) as to any Obligated Person other than the Developer, such person(s) as the Obligated Person shall designate in writing to the Trustee and the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent.

**"Dissemination Agent"** shall mean the District or an entity appointed by the District to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the District pursuant to Section 10 hereof. Inframark, LLC, has been designated as the initial Dissemination Agent hereunder.

**"District Manager"** shall mean the person or entity serving as District Manager from time to time. As of the date hereof, Inframark, LLC, is the District Manager.

**"EMMA"** shall mean the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule.

**"Event of Bankruptcy"** shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an 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 Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental 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 Obligated Person.

**"Financial Obligation"** shall mean (a) a debt obligation, (b) a 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) a guarantee of either (a) or (b). The term Financial Obligation does 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 fiscal year of the District, which is 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 the Limited Offering Memorandum dated [BPA Date], prepared in connection with the issuance of the Bonds.

**"Listed Event"** shall mean any of the events listed in Section 7(a) hereof.

**"MSRB"** shall mean the Municipal Securities Rulemaking Board.

**"MSRB Website"** shall mean [www.emma.msrb.org](http://www.emma.msrb.org).

**"Neighborhood 4"** shall have the meaning ascribed to such term in the Limited Offering Memorandum.

**"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 any portion of the obligations on the Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), which person(s) shall include the District and the Developer.

**"Owners"** shall have the meaning ascribed thereto in the Indenture with respect to the Bonds and shall include Beneficial Owners of the Bonds.

**"Participating Underwriter"** shall mean FMSbonds, Inc., in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

**"Quarterly Filing Date"** shall mean the dates set forth in Section 6(a) hereof by which Quarterly Reports are required to be filed with the Repository.

**"Quarterly Report"** shall mean any Quarterly Report provided by the Developer or any Obligated Person, its successors or assigns pursuant to, and as described in, Sections 5 and 6 hereof.

**"Repository"** shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the SEC may be found by visiting the SEC's website at [www.sec.gov/municipal/nrmsir](http://www.sec.gov/municipal/nrmsir). As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through the MSRB Website.

**"State"** shall mean the State of Florida.

**3. Content of Annual Reports.**

(a) The Annual Report shall contain or incorporate by reference Annual Financial Information with respect to the District, which includes an update of the financial and operating data of the District to the extent presented in the Limited Offering Memorandum, including:

(i) the amount of Assessments levied in Neighborhood 4 for the most recent prior Fiscal Year;

(ii) the amount of Assessments collected from property owners in Neighborhood 4 during the most recent prior Fiscal Year;

(iii) if available, the amount of delinquent Assessments in Neighborhood 4 greater than 150 calendar days and, in the event that delinquencies amount to more than ten percent (10%) of the amount of Assessments due in any year, a list of delinquent property owners;

(iv) if available, the amount of tax certificates sold for lands within Neighborhood 4 subject to the Assessments, if any, and the balance, if any, remaining for sale from the most recent prior Fiscal Year;

(v) the balances in all Funds and Accounts for the Bonds. Upon request, the District shall provide any Owners and the Dissemination Agent with this information more frequently than annually and, in such cases, within thirty (30) calendar days of the date of any written request from the Owners or the Dissemination Agent;

(vi) the total amount of Bonds Outstanding;

(vii) the amount of principal and interest due on the Bonds in the current Fiscal Year;

(viii) the most recent Audited Financial Statements of the District, unless such Audited Financial Statements have not yet been prepared, in which case unaudited financial statements shall be included in a format similar to the Audited Financial Statements; and

(ix) any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth. Any or all of the items listed above may be incorporated by specific reference to documents available to the public on the MSRB Website or filed with the SEC, including offering documents of debt issues of the District or related public entities, which have been submitted to the Repository. The District shall clearly identify any document incorporated by reference.

(c) The District and the Disclosure Representative of the District represent and warrant that they will supply, in a timely fashion, any information available to the District or the Disclosure Representative of the District and 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 acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, the Disclosure Representative of the District 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, the Disclosure Representative of the District or others as thereafter disseminated by the Dissemination Agent.

(d) 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.

#### **4. Provision of Annual Reports.**

(a) Subject to the following sentence, the District shall provide the Annual Report to the Dissemination Agent no later than March 30<sup>th</sup> after the close of the Fiscal Year (the "**Annual Filing Date**"), commencing with the Fiscal Year ending September 30, 2025, in an electronic format as prescribed by the Repository. 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 3(a) hereof; provided that the Audited Financial Statements may be submitted separately from the balance of the Annual Report and later than the date required above, but in no event later than the Audited Financial Statements Filing Date, if they are not available by the Annual Filing Date. If the Audited Financial Statements are not available at the time of the filing of the Annual Report, unaudited financial statements are required to be delivered as part of the Annual Report in a format similar to the Audited Financial Statements. If the District's Fiscal Year changes, the District shall give notice of such change in the same manner as for a Listed Event under Section 7(a). The District shall file a copy of its Audited Financial Statements for the Fiscal Year ended September 30, 2024 on or before June 30, 2025. The Dissemination Agent shall immediately file the Annual Report or Audited Financial Statements, as applicable, upon receipt from the District with each Repository.

(b) If on the fifteenth (15<sup>th</sup>) calendar day prior to each Annual Filing Date and/or Audited Financial Statements Filing Date, 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 of the District by telephone and in writing (which may be by e-mail) to remind the District of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 4(a) above. Upon such reminder, the Disclosure Representative of the District shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or Audited Financial Statements, as applicable, in accordance with Section 4(a) above, or (ii) instruct the Dissemination Agent in writing that the District will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the time required under this Disclosure Agreement, state the date by which the Annual Report or Audited Financial Statements, as applicable, for such year will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 7(a)(xv) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report or Audited Financial Statements, as applicable, the name, address and filing requirements of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the District certifying that the Annual Report or Audited Financial Statements, as applicable, has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

## **5. Content of Quarterly Reports.**

(a) Each Quarterly Report shall contain an update of the following information with respect to the lands owned by the Developer in Neighborhood 4 subject to the Assessments if such information is not otherwise provided pursuant to subsection (b) of this Section 5:

(i) the number of lots planned;

### Lot Ownership Information

(ii) the number of lots owned by the Developer;

(iii) the number of lots owned by the Builders;

(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 the applicable quarter;

(viii) the number of homes sold and closed with homebuyers during the applicable quarter;

(ix) the total cumulative number of homes sold and closed with homebuyers;

### Material Changes/Transfers

(x) material changes to any of the following: (a) builder contracts, (b) the number of lots planned to be developed, (c) permits/approvals, and (d) existing mortgage debt of the Developer or the incurrence of new mortgage debt by the Developer since the date hereof;

(xi) any sale, assignment or transfer of ownership of lands by the Developer to a third party which will in turn become an Obligated Person hereunder; and

(xii) any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) Any of the items listed in subsection (a) above may be incorporated by reference from other documents which are available to the public on the MSRB Website or filed with the SEC. The Developer shall clearly identify each such other document so incorporated by reference.

(c) The Developer and the Disclosure Representative of the Developer each represent and warrant 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 Developer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Developer, the Disclosure Representative of the Developer 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 Developer, the Disclosure Representative of the Developer or others as thereafter disseminated by the Dissemination Agent.

(d) If the Developer sells, assigns or otherwise transfers ownership of real property in Neighborhood 4 subject to the Assessments to a third party, which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "**Transfer**"), the Developer hereby agrees to require such third party to assume the disclosure obligations of the Developer hereunder for so long as such third party is an Obligated Person hereunder, to the same extent as if such third party were a party to this Disclosure Agreement. The Developer involved in such Transfer shall promptly notify the District and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5,

6, 7 and 9 hereof, the term "**Developer**" shall be deemed to include each of the Developer and any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Developer remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Developer from its obligations hereunder.

**6. Provision of Quarterly Reports.**

(a) The Developer, so long as it is an Obligated Person for purposes of this Disclosure Agreement, shall provide a Quarterly Report to the Dissemination Agent no later than February 1 (for each calendar quarter ending December 31), May 1 (for each calendar quarter ending March 31), August 1 (for each calendar quarter ending June 30), and November 1 (for each calendar quarter ending September 30) after the end of each calendar quarter, commencing February 1, 2025, for the calendar quarter ending December 31, 2024; provided, however, that so long as the Developer is a reporting company, such dates shall be extended to the date of filing of its respective 10-K or 10-Q, if later, as the case may be (each, a "**Quarterly Filing Date**"). At such time as the Developer is no longer an Obligated Person, the Developer will no longer be obligated to prepare any Quarterly Report pursuant to this Disclosure Agreement. The Dissemination Agent shall immediately file the Quarterly Report upon receipt from the Developer with each Repository.

(b) If on the seventh (7<sup>th</sup>) calendar day prior to each Quarterly Filing Date the Dissemination Agent has not received a copy of the Quarterly Report due on such Quarterly Filing Date, the Dissemination Agent shall contact the Disclosure Representative of the Developer by telephone and in writing (which may be by e-mail) to remind the Developer of its undertaking to provide the Quarterly Report pursuant to Section 6(a) above. Upon such reminder, the Disclosure Representative of the Developer shall either (i) provide the Dissemination Agent with an electronic copy of the Quarterly Report in accordance with Section 6(a) above, or (ii) instruct the Dissemination Agent in writing that the Developer will not be able to file the Quarterly Report within the time required under this Disclosure Agreement and state the date by which such Quarterly Report will be provided. If the Dissemination Agent has not received a Quarterly Report that contains the information in Section 5 of this Disclosure Agreement by the Quarterly Filing Date, a Listed Event described in Section 7(a)(xv) shall have occurred and the District and the Developer hereby direct the Dissemination Agent to immediately send a notice to each Repository in electronic format as required by such Repository, no later than the following Business Day in substantially the form attached as Exhibit A hereto, with a copy to the District.

(c) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name, address and filing requirements of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Developer and the District certifying that the Quarterly Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.



## **7. Reporting of Significant Events.**

(a) Pursuant to the provisions of this Section 7, the District shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Bonds and the Developer shall give, or cause to be given, notice of the occurrence of items (x), (xii), (xiii), (xv), (xvi), (xvii) and (xviii) of the following 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 the occurrence of the event, with the exception of the event described in item (xv) below, which notice shall be given in a timely manner:

- (i) principal and interest payment delinquencies;
- (ii) non-payment related defaults, if material;
- (iii) unscheduled draws on debt service reserves 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 the holders of the Bonds, 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) ratings changes<sup>†</sup>;
- (xii) an Event of Bankruptcy or similar event of an Obligated Person;
- (xiii) the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an 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;

---

\* There is no credit enhancement for the Bonds as of the date hereof.

<sup>†</sup> The Bonds are not rated as of the date hereof.

(xiv) appointment of a successor or additional trustee or the change of name of a trustee, if material;

(xv) notice of any failure on the part of the District to meet the requirements of Sections 3 and 4 hereof or of the Developer to meet the requirements of Sections 5 and 6 hereof;

(xvi) termination of the District's or the Developer's obligations under this Disclosure Agreement prior to the final maturity of the Bonds, pursuant to Section 9 hereof;

(xvii) incurrence of a Financial Obligation of the District 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 District or Obligated Person, any of which affect security holders, if material;

(xviii) default, event of acceleration, termination event, modification of terms, or other similar events under the terms of a Financial Obligation of the District or Obligated Person, any of which reflect financial difficulties;

(xix) occurrence of an Event of Default under the Indenture (other than as described in clause (i) above);

(xx) any amendment to the Indenture or this Disclosure Agreement modifying the rights of the Owners of the Bonds; and

(xxi) any amendment to the accounting principles to be followed by the District in preparing its financial statements, as required by Section 11 hereof.

(b) The notice required to be given in Section 7(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

**8. Identifying Information.** In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

(a) the category of information being provided;

(b) the period covered by any Annual Financial Information, financial statement or other financial information or operating data;

(c) the issues or specific securities to which such documents are related (including CUSIP numbers, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);

(d) the name of any Obligated Person other than the District;

(e) the name and date of the document being submitted; and

- (f) contact information for the submitter.

**9. Termination of Disclosure Agreement.** The District's obligations hereunder shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the District for payment of the Bonds, or if the Rule is repealed or no longer in effect. The Developer's obligations hereunder shall terminate at the earlier of the legal defeasance, prior redemption or payment in full of all of the Bonds, or at such time as the Developer is no longer an Obligated Person. If any such termination occurs prior to the final maturity of the Bonds, the District and/or the Developer shall give notice of such termination in the same manner as for a Listed Event under Section 7.

**10. Dissemination Agent.** The District will either serve as the Dissemination Agent or appoint one under this Disclosure Agreement. Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the District or the Dissemination Agent, the District agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of the Dissemination Agent under this Disclosure Agreement for the benefit of the Owners 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. Notwithstanding any replacement or appointment of a successor, the District shall remain liable until payment in full for any and all sums owed and payable to the Dissemination Agent hereunder. The initial Dissemination Agent shall be Inframark, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Inframark, LLC. Inframark, LLC may terminate its role as Dissemination Agent at any time upon delivery of written notice to the District and the Developer. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the District or the Developer pursuant to this Disclosure Agreement.

**11. Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the District, the Developer and the Dissemination Agent (if the Dissemination Agent is not the District) may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

- (a) if the amendment or waiver relates to the provisions of Sections 3(a), 4, 5(a), 6 or 7, it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the District and/or the Developer, or the type of business conducted;

- (b) the Disclosure Agreement, as amended or taking into account such waiver, would, in the opinion of counsel expert in federal securities laws, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

- (c) the amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the

opinion of nationally recognized bond counsel, materially impair the interests of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the District, the Developer and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time without any other conditions.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the District and/or the Developer shall describe such amendment in its next Annual Report or Quarterly Report, as applicable, and 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 District or the Developer, as applicable. In addition, if the amendment relates to the accounting principles to be followed by the District in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 7(a), and (ii) the Annual Report or Audited Financial Statements, as applicable, 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.

**12. Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the District or the Developer 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, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is required by this Disclosure Agreement. If the District or the Developer chooses to include any information in any Annual Report, Quarterly Report, or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the District or the Developer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Quarterly Report, or notice of occurrence of a Listed Event.

**13. Default.** In the event of a failure of the District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of the Participating Underwriter or the Beneficial Owners of more than fifty percent (50%) 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 mandate or specific performance by court order, to cause the District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. 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 District, an Obligated Person, a Disclosure Representative, or the Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

**14. Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Dissemination

Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format. Anything herein to the contrary notwithstanding, in the event that a Disclosure Representative and the Dissemination Agent are the same party, such party's limited duties in their capacity as Dissemination Agent, as described hereinabove, shall not in any way relieve or limit such party's duties in their capacity as Disclosure Representative under this Disclosure Agreement.

**15. Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the District, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and Beneficial Owners of the Bonds (the Trustee, the Participating Underwriter and Beneficial 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.

**16. Counterparts.** This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

**17. Governing Law.** This Disclosure Agreement shall be governed by the laws of the State and federal law.

**18. Trustee Cooperation.** The District represents that the Dissemination Agent is a bona fide agent of the District and directs the Trustee to deliver to the Dissemination Agent, at the expense of the District, any information or reports it requests that the District has a right to request from the Trustee (inclusive of balances, payments, etc.) that are in the possession of and readily available to the Trustee.

**19. Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Developer or any 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.

**20. Undertakings.** The Developer represents that it has instituted internal processes to provide information to the Dissemination Agent on a timely basis and obtained assurances from the Dissemination Agent that they will in turn request the required reporting information timely and file such information timely with the appropriate Repository.

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**SIGNATURE PAGE TO CONTINUING DISCLOSURE AGREEMENT  
(Longleaf Community Development District)**

IN WITNESS WHEREOF, the undersigned have executed this Disclosure Agreement as of the date and year set forth above.

[SEAL]

**LONGLEAF COMMUNITY  
DEVELOPMENT DISTRICT**

Consented and Agreed to by:

**INFRAMARK, LLC**, and its successors and assigns, as Disclosure Representative

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

By: \_\_\_\_\_  
Brian K. Lamb, Vice President

Joined by **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor Trustee for purposes of Sections 13, 15 and 18 only

**INFRAMARK, LLC**, as initial Dissemination Agent

By: \_\_\_\_\_  
Brian K. Lamb, Vice President

By: \_\_\_\_\_  
Leanne M. Duffy, Vice President

**HAWK LONGLEAF, LLC**,  
a Delaware limited liability company,  
as Developer

By: \_\_\_\_\_  
John M. Ryan, Manager

**EXHIBIT A TO CONTINUING DISCLOSURE AGREEMENT  
(Longleaf Community Development District)**

**NOTICE TO REPOSITORIES  
OF FAILURE TO FILE ANNUAL REPORT/QUARTERLY REPORT/  
AUDITED FINANCIAL STATEMENTS**

Name of District: Longleaf Community Development District (the "District")

Obligated Person(s) Longleaf Community Development District  
Hawk Longleaf, LLC (the "Developer")

Name of Bond Issue: \$[Bond Amount] Capital Improvement Revenue Bonds, Series  
2024A (Neighborhood 4 – Assessment Area Two) (the "Bonds")

Date of Issuance: [Closing Date]

CUSIPS: [\_\_\_\_\_]

**NOTICE IS HEREBY GIVEN** that the [District] [Developer] has not provided [an Annual Report] [Audited Financial Statements] [a Quarterly Report] with respect to the above-named Bonds as required by [Section 4] [Section 6] of the Continuing Disclosure Agreement dated [Closing Date], among the District, the Developer and the Dissemination Agent named therein. The [District] [Developer] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_, Dissemination Agent

cc: [District] [Developer]  
Participating Underwriter

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**APPENDIX F**

**AUDITED FINANCIAL STATEMENTS OF THE DISTRICT  
FOR THE FISCAL YEARS ENDED SEPTEMBER 30, 2022  
AND SEPTEMBER 30, 2023**

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**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2022**

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA**

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**Grau & Associates**  
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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2022, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

The District's management is responsible for the preparation and fair presentation of the 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.

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities 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 opinions. 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 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 would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment 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 judgment, 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.

#### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 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 Information Included in the Financial Report***

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 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, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.



October 31, 2023

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Longleaf Community Development District, Pasco County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2022. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$2,480,502.
- The change in the District's total net position in comparison with the prior fiscal year was (\$265,260), a decrease. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section
- At September 30, 2022, the District's governmental funds reported combined ending fund balances of \$811,313, a decrease of (\$322,637) in comparison with the prior fiscal year. A portion of the fund balance is restricted for debt service and capital projects, non-spendable for prepaid items and deposits, and the remainder is deficit fund balance in the general fund.

### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessments. The District does not have any business-type activities. The governmental activities of the District include general government (management), physical environment, culture and recreation, and roads and streets.

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category, governmental funds.

## OVERVIEW OF FINANCIAL STATEMENTS (Continued)

### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service, and capital projects funds, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

	NET POSITION SEPTEMBER 30,	
	2022	2021
Assets, excluding capital assets	\$ 904,321	\$ 1,180,888
Capital assets, net of depreciation	6,321,396	6,724,127
Total assets	<u>7,225,717</u>	<u>7,905,015</u>
Current liabilities	195,215	159,253
Long-term liabilities	4,550,000	5,000,000
Total liabilities	<u>4,745,215</u>	<u>5,159,253</u>
Net Position		
Net investment in capital assets	2,020,912	1,950,658
Restricted for debt service	467,082	455,780
Unrestricted	(7,492)	339,324
Total net position	<u>\$ 2,480,502</u>	<u>\$ 2,745,762</u>

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.



## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The District's net position decreased during the most recent fiscal year. The majority of the decrease represents the extent to which the cost of operations and depreciation expense exceeded ongoing program revenues.

Key elements of the change in net position are reflected in the following table:

	CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
	2022	2021
Revenues:		
Program revenues		
Charges for services	\$ 1,663,139	\$ 1,624,915
Operating grants and contributions	2,544	168
Capital grants and contributions	1,126	46
General revenues		
Unrestricted investment earnings	97	24
Miscellaneous income	8,193	5,891
Special Item - debt cancellation	-	525,000
Total revenues	<u>1,675,099</u>	<u>2,156,044</u>
Expenses:		
General government	161,139	152,542
Physical environment	946,850	901,909
Roads and streets	180,056	171,407
Culture and recreation	393,000	289,914
Interest	259,314	285,139
Total expenses	<u>1,940,359</u>	<u>1,800,911</u>
Change in net position	(265,260)	355,133
Net position - beginning	2,745,762	2,390,629
Net position - ending	<u>\$ 2,480,502</u>	<u>\$ 2,745,762</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2022 was \$1,940,359. The costs of the District's activities were primarily funded by program revenues. Program revenues are comprised primarily of assessments. The District also received funds from interest revenue and miscellaneous income. The increase in program revenues is primarily the result of an increase in assessments. General revenues decreased due to a nonrecurring cancellation of debt in the prior fiscal year. In total, expenses, including depreciation, increased from the prior fiscal year. The majority of the increase in expenses was the result of an increase in maintenance costs, including landscaping.

## GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures for the fiscal year ended September 30, 2022 exceeded appropriations by \$353,039. The over expenditures were partially funded by available fund balance.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2022, the District had \$14,654,263 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of 8,332,867 has been taken, which resulted in a net book value of \$6,321,396. More detailed information about the District's capital assets is presented in the notes of the financial statements.

## CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

### Capital Debt

At September 30, 2022, the District had \$4,550,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

The District does not anticipate any major projects or significant changes to its infrastructure maintenance program or general operations for the subsequent fiscal year.

During a prior fiscal year, the District entered into a development agreement with a new Developer to potentially acquire and construct public infrastructure within the undeveloped Neighborhood Four tract. The District has initiated procedures to issue Bonds to finance the District Improvements in Neighborhood Four. In the event Bonds are not successfully issued, the new Developer would fund all the public infrastructure to serve Neighborhood Four. As of the date of the financials, Bonds have not yet been issued.

During the current fiscal year, the District initiated procedures to issue Bonds to finance certain District's amenity and capital improvements. The costs of the planned improvements have been estimated at \$21,031,220. As of the date of the financials, Bonds have not yet been issued.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Longleaf Community Development District's Finance Department at 2005 Pan Am Circle, Suite 300, Tampa, FL 33607.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2022**

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 78,849
Investments	11,361
Due from other governments	6,343
Deposits	3,691
Restricted assets:	
Investments	804,077
Capital assets:	
Nondepreciable	1,006,415
Depreciable, net	5,314,981
Total assets	7,225,717
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	93,008
Accrued interest payable	102,207
Non-current liabilities:	
Due within one year	465,000
Due in more than one year	4,085,000
Total liabilities	4,745,215
 <b>NET POSITION</b>	
Net investment in capital assets	2,020,912
Restricted for debt service	467,082
Unrestricted	(7,492)
Total net position	\$ 2,480,502

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
Primary government:				
Governmental activities:				
General government	\$ 161,139	\$ 161,139	\$ -	\$ -
Physical environment	946,850	189,013	-	(757,837)
Roads and streets	180,056	180,056	-	-
Culture and recreation	393,000	393,000	-	-
Interest on long-term debt	259,314	739,931	2,544	484,287
Total governmental activities	<u>1,940,359</u>	<u>1,663,139</u>	<u>2,544</u>	<u>(273,550)</u>
General revenues:				
Unrestricted investment earnings				97
Miscellaneous income				8,193
Total general revenues				<u>8,290</u>
				Change in net position (265,260)
				Net position - beginning 2,745,762
				<u>\$ 2,480,502</u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2022**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>ASSETS</b>				
Cash	\$ 78,849	\$ -	\$ -	\$ 78,849
Investments	11,361	554,561	249,516	815,438
Due from other governments	3,542	2,801	-	6,343
Due from other funds	-	11,927	-	11,927
Deposits	3,691	-	-	3,691
Total assets	<u>\$ 97,443</u>	<u>\$ 569,289</u>	<u>\$ 249,516</u>	<u>\$ 916,248</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 93,008	\$ -	\$ -	\$ 93,008
Due to other funds	11,927	-	-	11,927
Total liabilities	<u>104,935</u>	<u>-</u>	<u>-</u>	<u>104,935</u>
Fund balances:				
Nonspendable:				
Prepaid items and deposits	3,691	-	-	3,691
Restricted for:				
Debt service	-	569,289	-	569,289
Capital projects	-	-	249,516	249,516
Unassigned	(11,183)	-	-	(11,183)
Total fund balances	<u>(7,492)</u>	<u>569,289</u>	<u>249,516</u>	<u>811,313</u>
Total liabilities and fund balances	<u>\$ 97,443</u>	<u>\$ 569,289</u>	<u>\$ 249,516</u>	<u>\$ 916,248</u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET –  
GOVERNMENTAL FUNDS TO THE STATEMENTS OF NET POSITION  
SEPTEMBER 30, 2022**

Total fund balances - governmental funds \$ 811,313

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	14,654,263	
Accumulated depreciation	<u>(8,332,867)</u>	6,321,396

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(102,207)	
Bonds payable	<u>(4,550,000)</u>	<u>(4,652,207)</u>

Net position of governmental activities		<u>\$ 2,480,502</u>
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See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>REVENUES</b>				
Assessments	\$ 923,208	\$ 739,931	\$ -	\$ 1,663,139
Interest income	97	2,544	1,126	3,767
Miscellaneous income	8,193	-	-	8,193
Total revenues	<u>931,498</u>	<u>742,475</u>	<u>1,126</u>	<u>1,675,099</u>
<b>EXPENDITURES</b>				
Current:				
General government	161,139	-	-	161,139
Physical environment	678,711	-	-	678,711
Culture and recreation	94,412	-	-	94,412
Roads and streets	33,732	-	-	33,732
Debt Service:				
Principal	-	450,000	-	450,000
Interest	-	269,422	-	269,422
Capital outlay	310,320	-	-	310,320
Total expenditures	<u>1,278,314</u>	<u>719,422</u>	<u>-</u>	<u>1,997,736</u>
Excess (deficiency) of revenues over (under) expenditures	(346,816)	23,053	1,126	(322,637)
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	-	(21,859)	21,859	-
Total other financing sources (uses)	<u>-</u>	<u>(21,859)</u>	<u>21,859</u>	<u>-</u>
Net change in fund balances	(346,816)	1,194	22,985	(322,637)
Fund balances - beginning	<u>339,324</u>	<u>568,095</u>	<u>226,531</u>	<u>1,133,950</u>
Fund balances - ending	<u>\$ (7,492)</u>	<u>\$ 569,289</u>	<u>\$ 249,516</u>	<u>\$ 811,313</u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

Net change in fund balances - total governmental funds	\$ (322,637)
Amounts reported for governmental activities in the statement of activities are different because:	
Governmental funds report 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.	104,038
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	450,000
Depreciation on capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(506,769)
The change in accrued interest on long-term liabilities between the current and prior fiscal year recorded in the statement of activities but not in the governmental fund financial statements.	<u>10,108</u>
Change in net position of governmental activities	<u>\$ (265,260)</u>

See notes to the financial statements



**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY**

Longleaf Community Development District ("District") was established on September 29, 1998 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by Pasco County Ordinance 98-21. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

### **Assessments**

Assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January 1 to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

### **General Fund**

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

### **Debt Service Fund**

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

### **Capital Projects Fund**

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

### **Assets, Liabilities and Net Position or Equity**

#### **Restricted Assets**

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The District has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

#### Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

#### Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Net Position or Equity (Continued)**

Capital Assets (Continued)

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

	<u>Assets</u>	<u>Years</u>
Infrastructure		25
Roadways		30
Recreational Facilities		25
Building		30
Furniture, Fixtures and Equipment		10

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### **Fund Equity/Net Position (Continued)**

**Assigned fund balance** – Includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

#### **Other Disclosures**

##### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## **NOTE 3 – BUDGETARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

## **NOTE 4 – DEPOSITS AND INVESTMENTS**

### **Deposits**

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**Investments**

The District's investments were held as follows at September 30, 2022:

	Amortized cost	Credit Risk	Maturities
First American Treasury Obligation Fund CI Z	\$ 804,077	S&P AAAM	Weighted average of the fund portfolio: 9 days
Florida PRIME	11,361	S&P AAAM	Weighted average of the fund portfolio: 21 days
Total Investments	<u>\$ 815,438</u>		

*Credit risk* – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

*Concentration risk* – The District places no limit on the amount the District may invest in any one issuer.

*Interest rate risk* – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

*Fair Value Measurement* – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the District's investments have been reported at amortized cost above.

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**Investments (Continued)**

*External Investment Pool* – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2022, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

**NOTE 5 – INTERFUND TRANSFERS**

Interfund transfers for the fiscal year ended September 30, 2022 were as follows:

<u>Fund</u>	<u>Transfer in</u>	<u>Transfer out</u>
Debt service	\$ -	\$ 21,859
Capital projects	21,859	-
Total	<u>\$ 21,859</u>	<u>\$ 21,859</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were for the release of excess reserves to the deferred cost and acquisition and construction accounts pursuant to the Bond Indentures.

## NOTE 6 – CAPITAL ASSETS

Capital asset activity for the fiscal year ended September 30, 2022 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<b><u>Governmental activities</u></b>				
Capital assets, not being depreciated				
Construction in progress	\$ 363,956	\$ 104,038	\$ -	\$ 467,994
Land	538,421	-	-	538,421
Total capital assets, not being depreciated	902,377	104,038	-	1,006,415
Capital assets, being depreciated				
Infrastructure	6,059,126	-	-	6,059,126
Roadways	4,389,717	-	-	4,389,717
Recreational facilities	2,307,648	-	-	2,307,648
Buildings	773,216	-	-	773,216
Furniture, fixtures and equipment	118,141	-	-	118,141
Total capital assets, being depreciated	13,647,848	-	-	13,647,848
Less accumulated depreciation for:				
Infrastructure	3,755,172	242,365	-	3,997,537
Roadways	2,216,779	146,324	-	2,363,103
Recreational facilities	1,309,818	92,306	-	1,402,124
Buildings	426,188	25,774	-	451,962
Furniture, fixtures and equipment	118,141	-	-	118,141
Total accumulated depreciation	7,826,098	506,769	-	8,332,867
Total capital assets, being depreciated, net	5,821,750	(506,769)	-	5,314,981
Governmental activities capital assets, net	\$ 6,724,127	\$ (402,731)	\$ -	\$ 6,321,396

Depreciation expense was charged to function/programs as follows:

Physical environment	\$ 268,139
Culture and recreation	92,306
Roads and streets	146,324
Total	\$ 506,769

During the current fiscal year, the District initiated procedures to issue Bonds to finance certain District's amenity and capital improvements related to Neighborhood Four, see Note 9 for additional details. The costs of the planned improvements have been estimated at \$21,031,220. As of the date of the financials, Bonds have not yet been issued.

At September 30, 2022, there is a balance of \$222,717 in the Series 2005 deferred cost account. The District has not yet determined if a liability exists for deferred obligations.

## NOTE 7 – LONG TERM LIABILITIES

### **Series 2005**

In October 2005, the District issued \$6,270,000 of Special Assessment Refunding Revenue Bonds, Series 2005 due on May 1, 2030 with a fixed interest rate of 5.4%. The Bonds were issued to refund a portion of the District's outstanding Special Assessment Revenue Bonds, Series 1999A; acquire and construct certain assessable improvements and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2005. Principal on the Bonds is to be paid serially commencing May 1, 2006 through May 1, 2030.



**NOTE 7 – LONG TERM LIABILITIES (Continued)**

**Series 2005 (Continued)**

The Series 2005 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements at September 30, 2022.

**Series 2006**

In May 2006, the District issued \$4,350,000 of Special Assessment Refunding Revenue Bonds, Series 2006 due on May 1, 2030 with a fixed interest rate of 5.375%. The Bonds were issued to refund a portion of the District's outstanding Special Assessment Revenue Bonds, Series 1999A; acquire and construct certain assessable improvements and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2006. Principal on the Bonds is to be paid serially commencing May 1, 2007 through May 1, 2030.

The Series 2006 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture.

The Bond Indenture established a debt service reserve requirement as well as other 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements at September 30, 2022.

**Long-term Debt Activity**

Changes in long-term liability activity for the fiscal year ended September 30, 2022 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Series 2005	\$ 3,225,000	\$ -	\$ 285,000	\$ 2,940,000	\$ 300,000
Series 2006	1,775,000	-	165,000	1,610,000	165,000
Total	<u>\$ 5,000,000</u>	<u>\$ -</u>	<u>\$ 450,000</u>	<u>\$ 4,550,000</u>	<u>\$ 465,000</u>

At September 30, 2022, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2023	\$ 465,000	\$ 245,298	\$ 710,298
2024	495,000	220,229	715,229
2025	520,000	193,543	713,543
2026	550,000	165,509	715,509
2027	580,000	135,858	715,858
2028-2030	1,940,000	212,951	2,152,951
Total	<u>\$ 4,550,000</u>	<u>\$ 1,173,388</u>	<u>\$ 5,723,388</u>

#### **NOTE 8 – DEFICIT FUND EQUITY**

The general fund had a deficit fund balance of (\$7,492) at September 30, 2022. The deficit will be covered by assessments collected in the subsequent period.

#### **NOTE 9 – OTHER MATTERS**

##### **Neighborhood Four Development Agreement**

In December 2020, the District entered into a Development Agreement relating to the undeveloped Neighborhood 4 tract. Under the agreement, the new Developer would acquire and construct public infrastructure within Neighborhood Four and the District would accept ownership and maintenance for a portion of those improvements. The District plans to issue Bonds to finance the District Improvements in Neighborhood Four. The new Developer will fund the fees and cost relating to Bond validation. In the event Bonds are not successfully issued, the new Developer would fund all the public infrastructure to serve Neighborhood Four. The District also agreed to establish a debt service reserve account in minimum amount required and approved by Bond purchasers. The new Developer will reimburse the District for legal and engineering fees and costs incurred during construction of Neighborhood Four. Subsequent to fiscal year end, the District is in the process of preparing to issue Series 2023 Bonds in order to finance the cost of infrastructure improvements related to Neighborhood Four.

#### **NOTE 10 – MANAGEMENT COMPANY**

The District has contracted with a management company to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

#### **NOTE 11 – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

#### **NOTE 12 – SUBSEQUENT EVENTS**

##### **Bond Payments**

Subsequent to fiscal year end, the District prepaid a total of \$10,000 of the Series 2005 Bonds and \$10,000 of the Series 2006 Bonds. The prepayments were considered extraordinary mandatory redemptions as outlined in the Bond Indentures.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2022**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Assessments	\$ 898,493	\$ 923,208	\$ 24,715
Interest	300	97	(203)
Miscellaneous income	3,500	8,193	4,693
Total revenues	902,293	931,498	29,205
<b>EXPENDITURES</b>			
Current:			
General government	145,904	161,139	(15,235)
Physical environment	560,315	678,711	(118,396)
Culture and recreation	127,850	94,412	33,438
Roads and streets	30,750	33,732	(2,982)
Capital outlay	60,456	310,320	(249,864)
Total expenditures	925,275	1,278,314	(353,039)
Excess (deficiency) of revenues over (under) expenditures	(22,982)	(346,816)	(323,834)
Other Financing Sources (Uses)			
Use of fund balance	22,982	-	(22,982)
Total other financing sources (uses)	22,982	-	(22,982)
Net change in fund balance	\$ -	(346,816)	\$ (346,816)
Fund balance - beginning		339,324	
Fund balance - ending		\$ (7,492)	

See notes to required supplementary information

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the General Fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures for the fiscal year ended September 30, 2022 exceeded appropriations by \$353,039. The over expenditures were partially funded by available fund balance.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)  
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of district employees compensated at 9/30/2022	None
Number of independent contractors compensated in September 2022	None
Employee compensation for FYE 9/30/2022 (paid/accrued)	\$0.00
Independent contractor compensation for FYE 9/30/2022	\$0.00
Construction projects to begin on or after October 1; (>\$65K)	Not applicable
Budget variance report	See page 23 of annual financial report
Ad Valorem taxes;	Not applicable
Millage rate FYE 9/30/2022	Not applicable
Ad valorem taxes collected FYE 9/30/2022	Not applicable
Non ad valorem special assessments;	
Special assessment rate FYE 9/30/2022	Operations and maintenance - see below Debt service - see below
Special assessments collected FYE 9/30/2022	\$1,653,306
Outstanding Bonds:	
Series 2005, due May 1, 2030	see Note 7 for details
Series 2006, due May 1, 2030	see Note 7 for details

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)- CONTINUED  
UNAUDITED**

SERIES 2005A BONDS			
Lot Size	O&M Unit Count	Debt Service Per Unit	O&M Per Unit <sup>(1)</sup>
<b>TOWNHOME N4</b>	42	\$450.00	\$321.55
<b>TOWNHOME N3</b>	31	\$450.00	\$321.55
<b>TOWNHOME+ N3 REPLAT</b>	21	\$534.38	\$381.84
<b>CONDO N4</b>	80	\$450.00	\$321.55
<b>CONDO N3</b>	70	\$450.00	\$321.55
<b>SF 42' N4</b>	57	\$750.00	\$734.86
<b>SF 42' N3</b>	62	\$750.00	\$734.86
<b>SF 50' N4</b>	145	\$800.00	\$941.52
<b>SF 50' N3</b>	51	\$800.00	\$941.52
<b>SF 50' N3 Full Prepaid</b>	1	\$0.00	\$941.52
<b>SF 60' N4</b>	100	\$850.00	\$1,148.17
<b>SF 60' N3</b>	48	\$850.00	\$1,148.17
<b>SF 100' N3</b>	3	\$1,499.00	\$1,660.68

SERIES 2006A BONDS			
Lot Size	O&M Unit Count	Debt Service Per Unit	O&M Per Unit <sup>(1)</sup>
<b>TOWNHOME</b>	38	\$204.00	\$321.55
<b>SF 42'</b>	65	\$612.00	\$734.86
<b>SF 42' PREPAID</b>	4	\$354.00	\$734.86
<b>SF 50'</b>	87	\$817.00	\$941.52
<b>SF 50' PREPAID</b>	8	\$471.00	\$941.52
<b>SF 60'</b>	56	\$1,021.00	\$1,148.17
<b>SF 60' PREPAID</b>	6	\$589.00	\$1,148.17
<b>SF 70'</b>	117	\$1,225.00	\$1,354.83
<b>SF 100' PREPAID</b>	1	\$886.00	\$1,660.68
<b>SF 100' W/O SL</b>	15	\$1,535.00	\$1,660.68
<b>COMMERCIAL</b>	3.3	\$5,961.00	\$6,149.25



**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**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco 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 the governmental activities and each major fund of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated October 31, 2023.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 or significant deficiencies may exist that were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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*.

We noted certain matters that we have reported to management of the District in a separate letter dated October 31, 2023.

**The District's Response to Findings**

*Government Auditing Standards* requires the auditor to perform limited procedures on the District's response to the findings identified in our audit and described in the accompanying Management Letter. The District's response was not subjected to the other auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on the response.

**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.



October 31, 2023





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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY  
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

We have examined Longleaf Community Development District, Pasco County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2022. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2022.

This report 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, management, and the Board of Supervisors of Longleaf Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

October 31, 2023



**MANAGEMENT LETTER PURSUANT TO THE RULES OF  
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2022, and have issued our report thereon dated October 31, 2023.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 Auditor General.

**Other Reporting Requirements**

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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated October 31, 2023, should be considered in conjunction with this management letter.

**Purpose of this Letter**

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Longleaf Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the District, and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

*Grau & Associates*

October 31, 2023

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

#### 2022-01 Budget:

Observation: Actual expenditures exceeded appropriations in the general fund for the fiscal year ended September 30, 2022.

Recommendation: The District should amend the budget during the fiscal year or within statutory guidelines to ensure that all expenditures are properly budgeted.

Reference Numbers for Prior Year Findings: 2021-01, 2020-01, 2019-01, 2018-01

Management Response: Management has communicated the need for amended budgets when expenditures exceed budgeted amounts.

### II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

#### 2021-01, 2020-01, 2019-01, 2018-01 Budget

Current Status: Matter has not been resolved. See finding 2022-01 above.

### III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2021, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2022, except as noted above.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2022, except as noted above.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

## **REPORT TO MANAGEMENT (Continued)**

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted as of September 30, 2022. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.
7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 25-26.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
FINANCIAL REPORT  
FOR THE FISCAL YEAR ENDED  
SEPTEMBER 30, 2023**

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA**

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**INDEPENDENT AUDITOR'S REPORT**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

**Report on the Audit of the Financial Statements**

***Opinions***

We have audited the accompanying financial statements of the governmental activities and each major fund of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of the District, as of September 30, 2023, and the respective changes in financial position thereof for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

***Basis for Opinions***

We conducted our audit 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 audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

***Responsibilities of Management for the Financial Statements***

The District's management is responsible for the preparation and fair presentation of the 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.

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 twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

***Auditor's Responsibilities 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 opinions. 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 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 would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment 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 judgment, 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.

***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information 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 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 Information Included in the Financial Report***

Management is responsible for the other information included in the financial report. The other information comprises the information for compliance with FL Statute 218.39 (3) (c), but does not include the financial statements and our auditor's report thereon. Our opinions on the financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated August 16, 2024, 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, contracts, grant agreements and other matters. The purpose of that report is solely 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 the effectiveness of the District's 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 the District's internal control over financial reporting and compliance.



August 16, 2024



## MANAGEMENT'S DISCUSSION AND ANALYSIS

Our discussion and analysis of Longleaf Community Development District, Pasco County, Florida ("District") provides a narrative overview of the District's financial activities for the fiscal year ended September 30, 2023. Please read it in conjunction with the District's Independent Auditor's Report, basic financial statements, accompanying notes and supplementary information to the basic financial statements.

### FINANCIAL HIGHLIGHTS

- The assets of the District exceeded its liabilities at the close of the most recent fiscal year resulting in a net position balance of \$2,559,980.
- The change in the District's total net position in comparison with the prior fiscal year was \$79,478, an increase. The key components of the District's net position and change in net position are reflected in the table in the government-wide financial analysis section.
- At September 30, 2023, the District's governmental funds reported combined ending fund balances of \$901,666, an increase of \$90,353 in comparison with the prior fiscal year. A portion of the fund balance is restricted for debt service and capital projects, non-spendable for prepaid items and deposits, assigned to subsequent year's expenditures, and the remainder is unassigned fund balance in the general fund which is available for spending at the District's discretion.

### OVERVIEW OF FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as the introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

#### Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all the District's assets, deferred outflows of resources, liabilities, and deferred inflows of resources with the residual amount being reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The statement of activities presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods.

The government-wide financial statements include all governmental activities that are principally supported by special assessments. The District does not have any business-type activities. The governmental activities of the District include general government (management), physical environment, culture and recreation, and roads and streets.

#### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District has one fund category, governmental funds.

## OVERVIEW OF FINANCIAL STATEMENTS (Continued)

### Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a District's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the District's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains three governmental funds for external reporting. Information is presented separately in the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances for the general, debt service, and capital projects funds, all of which are considered major funds.

The District adopts an annual appropriated budget for its general fund. A budgetary comparison schedule has been provided for the general fund to demonstrate compliance with the budget.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of an entity's financial position. In the case of the District, assets exceeded liabilities at the close of the most recent fiscal year.

Key components of the District's net position are reflected in the following table:

	NET POSITION	
	SEPTEMBER 30,	
	2023	2022
Assets, excluding capital assets	\$ 990,917	\$ 904,321
Capital assets, net of depreciation	5,814,627	6,321,396
Total assets	6,805,544	7,225,717
Current liabilities	180,564	195,215
Long-term liabilities	4,065,000	4,550,000
Total liabilities	4,245,564	4,745,215
Net Position		
Net investment in capital assets	2,041,433	2,020,912
Restricted for debt service	477,687	467,082
Unrestricted	40,860	(7,492)
Total net position	\$ 2,559,980	\$ 2,480,502

The District's net position reflects its investment in capital assets (e.g. land, land improvements, and infrastructure) less any related debt used to acquire those assets that is still outstanding. These assets are used to provide services to residents; consequently, these assets are not available for future spending. Although the District's investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

## GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position may be used to meet the District's other obligations.

The District's net position increased during the most recent fiscal year. The majority of the increase represents the extent to which ongoing program revenues exceeded the cost of operations and depreciation expense.

Key elements of the change in net position are reflected in the following table:

	CHANGES IN NET POSITION FOR THE FISCAL YEAR ENDED SEPTEMBER 30,	
	2023	2022
Revenues:		
Program revenues		
Charges for services	\$ 1,662,454	\$ 1,663,139
Operating grants and contributions	26,755	2,544
Capital grants and contributions	10,865	1,126
General revenues		
Unrestricted investment earnings	559	97
Miscellaneous income	5,265	8,193
Total revenues	<u>1,705,898</u>	<u>1,675,099</u>
Expenses:		
General government	143,018	161,139
Physical environment	869,548	946,850
Roads and streets	168,622	180,056
Culture and recreation	211,367	393,000
Interest	233,865	259,314
Total expenses	<u>1,626,420</u>	<u>1,940,359</u>
Change in net position	79,478	(265,260)
Net position - beginning	<u>2,480,502</u>	<u>2,745,762</u>
Net position - ending	<u>\$ 2,559,980</u>	<u>\$ 2,480,502</u>

As noted above and in the statement of activities, the cost of all governmental activities during the fiscal year ended September 30, 2023 was \$1,626,420. The costs of the District's activities were primarily funded by program revenues. Program revenues are comprised primarily of assessments. The District also received funds from interest revenue and miscellaneous income. The increase in program revenues is primarily the result of an increase in interest revenue. The decrease in expenses is the result of a decrease in professional services including landscape maintenance and repairs.

## GENERAL BUDGETING HIGHLIGHTS

An operating budget was adopted and maintained by the governing board for the District pursuant to the requirements of Florida Statutes. The budget is adopted using the same basis of accounting that is used in preparation of the fund financial statements. The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

## CAPITAL ASSETS AND DEBT ADMINISTRATION

### Capital Assets

At September 30, 2023, the District had \$14,654,263 invested in capital assets for its governmental activities. In the government-wide financial statements depreciation of \$8,839,636 has been taken, which resulted in a net book value of \$5,814,627. More detailed information about the District's capital assets is presented in the notes of the financial statements.

## CAPITAL ASSETS AND DEBT ADMINISTRATION (Continued)

### Capital Debt

At September 30, 2022, the District had \$4,065,000 in Bonds outstanding for its governmental activities. More detailed information about the District's capital debt is presented in the notes of the financial statements.

### ECONOMIC FACTORS AND NEXT YEAR'S BUDGET

Subsequent to fiscal year end, the District issued \$7,000,000 of Series 2024 Bonds, consisting of multiple term bonds with due dates ranging from May 1, 2031 - May 1, 2054 and fixed interest rates ranging from 4.5% to 5.75%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

Also subsequent to fiscal year end, the District obtained a bank loan in the amount of \$150,000 due on November 17, 2026 with a fixed interest rate of 6.80%. The loan was obtained to finance the acquisition and construction of certain improvements for the benefit of the District.

### CONTACTING THE DISTRICT'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, land owners, taxpayers, customers, investors and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the financial resources it manages and the stewardship of the facilities it maintains. If you have questions about this report or need additional financial information, contact the Lingleaf Community Development District's Finance Department at 2005 Pan Am Circle, Suite 300, Tampa, FL 33607.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF NET POSITION  
SEPTEMBER 30, 2023**

	Governmental Activities
<b>ASSETS</b>	
Cash	\$ 59,643
Investments	11,920
Due from other governments	10,723
Prepaid items	2,200
Deposits	3,691
Restricted assets:	
Investments	902,740
Capital assets:	
Nondepreciable	1,006,415
Depreciable, net	4,808,212
Total assets	6,805,544
 <b>LIABILITIES</b>	
Accounts payable and accrued expenses	89,251
Accrued interest payable	91,313
Non-current liabilities:	
Due within one year	490,000
Due in more than one year	3,575,000
Total liabilities	4,245,564
 <b>NET POSITION</b>	
Net investment in capital assets	2,041,433
Restricted for debt service	477,687
Unrestricted	40,860
Total net position	\$ 2,559,980

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

<u>Functions/Programs</u>	Program Revenues				Net (Expense) Revenue and Changes in Net Position
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities
Primary government:					
Governmental activities:					
General government	\$ 143,018	\$ 143,018	\$ -	\$ -	\$ -
Physical environment	869,548	405,307	-	10,865	(453,376)
Roads and streets	168,622	168,622	-	-	-
Culture and recreation	211,367	211,367	-	-	-
Interest on long-term debt	233,865	734,140	26,755	-	527,030
Total governmental activities	1,626,420	1,662,454	26,755	10,865	73,654
General revenues:					
					559
					5,265
					5,824
					79,478
					2,480,502
					\$ 2,559,980

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
SEPTEMBER 30, 2023**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>ASSETS</b>				
Cash	\$ 59,643	\$ -	\$ -	\$ 59,643
Investments	11,920	610,448	292,292	914,660
Due from other governments	8,114	2,609	-	10,723
Due from other funds	44,543	-	-	44,543
Prepaid items	2,200	-	-	2,200
Deposits	3,691	-	-	3,691
Total assets	<u>\$ 130,111</u>	<u>\$ 613,057</u>	<u>\$ 292,292</u>	<u>\$ 1,035,460</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable and accrued expenses	\$ 89,251	\$ -	\$ -	\$ 89,251
Due to other funds	-	44,057	486	44,543
Total liabilities	<u>89,251</u>	<u>44,057</u>	<u>486</u>	<u>133,794</u>
Fund balances:				
Nonspendable:				
Prepaid items and deposits	5,891	-	-	5,891
Restricted for:				
Debt service	-	569,000	-	569,000
Capital projects	-	-	291,806	291,806
Assigned to:				
Subsequent year's expenditures	22,782	-	-	22,782
Unassigned	12,187	-	-	12,187
Total fund balances	<u>40,860</u>	<u>569,000</u>	<u>291,806</u>	<u>901,666</u>
Total liabilities and fund balances	<u>\$ 130,111</u>	<u>\$ 613,057</u>	<u>\$ 292,292</u>	<u>\$ 1,035,460</u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
RECONCILIATION OF THE BALANCE SHEET –  
GOVERNMENTAL FUNDS TO THE STATEMENTS OF NET POSITION  
SEPTEMBER 30, 2023**

Total fund balances - governmental funds \$ 901,666

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. The statement of net position includes those capital assets, net of any accumulated depreciation, in the net position of the government as a whole.

Cost of capital assets	14,654,263	
Accumulated depreciation	<u>(8,839,636)</u>	5,814,627

Liabilities not due and payable from current available resources are not reported as liabilities in the governmental fund statements. All liabilities, both current and long-term, are reported in the government-wide financial statements.

Accrued interest payable	(91,313)	
Bonds payable	<u>(4,065,000)</u>	<u>(4,156,313)</u>

Net position of governmental activities		<u>\$ 2,559,980</u>
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See notes to the financial statements



**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Major Funds			Total Governmental Funds
	General	Debt Service	Capital Projects	
<b>REVENUES</b>				
Assessments	\$ 928,314	\$ 734,140	\$ -	\$ 1,662,454
Interest income	559	26,755	10,865	38,179
Miscellaneous income	5,265	-	-	5,265
Total revenues	<u>934,138</u>	<u>760,895</u>	<u>10,865</u>	<u>1,705,898</u>
<b>EXPENDITURES</b>				
Current:				
General government	143,018	-	-	143,018
Physical environment	601,409	-	-	601,409
Culture and recreation	119,061	-	-	119,061
Roads and streets	22,298	-	-	22,298
Debt Service:				
Principal	-	485,000	-	485,000
Interest	-	244,759	-	244,759
Total expenditures	<u>885,786</u>	<u>729,759</u>	<u>-</u>	<u>1,615,545</u>
Excess (deficiency) of revenues over (under) expenditures	48,352	31,136	10,865	90,353
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in (out)	-	(31,425)	31,425	-
Total other financing sources (uses)	<u>-</u>	<u>(31,425)</u>	<u>31,425</u>	<u>-</u>
Net change in fund balances	48,352	(289)	42,290	90,353
Fund balances - beginning	<u>(7,492)</u>	<u>569,289</u>	<u>249,516</u>	<u>811,313</u>
Fund balances - ending	<u>\$ 40,860</u>	<u>\$ 569,000</u>	<u>\$ 291,806</u>	<u>\$ 901,666</u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

Net change in fund balances - total governmental funds	\$ 90,353
Amounts reported for governmental activities in the statement of activities are different because:	
Repayment of long-term liabilities are reported as expenditures in the governmental fund financial statements, but such repayments reduce liabilities in the statement of net position and are eliminated in the statement of activities.	485,000
Depreciation on capital assets is not recognized in the governmental fund financial statements, but is reported as an expense in the statement of activities.	(506,769)
The change in accrued interest on long-term liabilities between the current and prior fiscal year recorded in the statement of activities but not in the governmental fund financial statements.	<u>10,894</u>
Change in net position of governmental activities	<u><u>\$ 79,478</u></u>

See notes to the financial statements

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 – NATURE OF ORGANIZATION AND REPORTING ENTITY**

Longleaf Community Development District ("District") was established on September 29, 1998 pursuant to the Uniform Community Development District Act of 1980, otherwise known as Chapter 190, Florida Statutes, by Pasco County Ordinance 98-21. The Act provides among other things, the power to manage basic services for community development, power to borrow money and issue bonds, and to levy and assess non-ad valorem assessments for the financing and delivery of capital infrastructure.

The District was established for the purposes of financing and managing the acquisition, construction, maintenance and operation of a portion of the infrastructure necessary for community development within the District.

The District is governed by the Board of Supervisors ("Board"), which is composed of five members. The Supervisors are elected by the owners of the property within the District. The Board of Supervisors of the District exercise all powers granted to the District pursuant to Chapter 190, Florida Statutes.

The Board has the final responsibility for:

1. Assessing and levying assessments.
2. Approving budgets.
3. Exercising control over facilities and properties.
4. Controlling the use of funds generated by the District.
5. Approving the hiring and firing of key personnel.
6. Financing improvements.

The financial statements were prepared in accordance with Governmental Accounting Standards Board ("GASB") Statements. Under the provisions of those standards, the financial reporting entity consists of the primary government, organizations for which the District is considered to be financially accountable, and other organizations for which the nature and significance of their relationship with the District are such that, if excluded, the financial statements of the District would be considered incomplete or misleading. There are no entities considered to be component units of the District; therefore, the financial statements include only the operations of the District.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**Government-Wide and Fund Financial Statements**

The basic financial statements include both government-wide and fund financial statements.

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the non-fiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers who purchase, use or directly benefit from goods, services or privileges provided by a given function or segment; operating-type special assessments for maintenance and debt service are treated as charges for services and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Other items not included among program revenues are reported instead as *general revenues*.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Measurement Focus, Basis of Accounting and Financial Statement Presentation**

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Assessments are recognized as revenues in the year for which they are levied. Grants and similar items are to be recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures are recorded only when payment is due.

### **Assessments**

Assessments are non-ad valorem assessments on all platted lots within the District. Assessments are levied each November 1 on property as of the previous January 1 to pay for the operations and maintenance of the District. The fiscal year for which annual assessments are levied begins on October 1 with discounts available for payments through February 28 and become delinquent on April 1. For debt service assessments, amounts collected as advance payments are used to prepay a portion of the Bonds outstanding. Otherwise, assessments are collected annually to provide funds for the debt service on the portion of the Bonds which are not paid with prepaid assessments.

Assessments and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Only the portion of assessments receivable due within the current fiscal period is considered to be susceptible to accrual as revenue of the current period.

The District reports the following major governmental funds:

### **General Fund**

The general fund is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

### **Debt Service Fund**

The debt service fund is used to account for the accumulation of resources for the annual payment of principal and interest on long-term debt.

### **Capital Projects Fund**

This fund accounts for the financial resources to be used for the acquisition or construction of major infrastructure within the District.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

When both restricted and unrestricted resources are available for use, it is the government's policy to use restricted resources first for qualifying expenditures, then unrestricted resources as they are needed.

### **Assets, Liabilities and Net Position or Equity**

#### **Restricted Assets**

These assets represent cash and investments set aside pursuant to Bond covenants or other contractual restrictions.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### Deposits and Investments

The District's cash and cash equivalents are considered to be cash on hand and demand deposits (interest and non-interest bearing).

The District has elected to proceed under the Alternative Investment Guidelines as set forth in Section 218.415 (17) Florida Statutes. The District may invest any surplus public funds in the following:

- a) The Local Government Surplus Trust Funds, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act;
- b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency;
- c) Interest bearing time deposits or savings accounts in qualified public depositories;
- d) Direct obligations of the U.S. Treasury.

The State Board of Administration's ("SBA") Local Government Surplus Funds Trust Fund ("Florida PRIME") is a "2a-7 like" pool. A "2a-7 like" pool is an external investment pool that is not registered with the Securities and Exchange Commission ("SEC") as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a-7 of the Investment Company Act of 1940, which comprises the rules governing money market funds. Thus, the pool operates essentially as a money market fund. The District has reported its investment in Florida PRIME at amortized cost for financial reporting purposes.

Securities listed in paragraph c and d shall be invested to provide sufficient liquidity to pay obligations as they come due.

The District records all interest revenue related to investment activities in the respective funds. Investments are measured at amortized cost or reported at fair value as required by generally accepted accounting principles.

#### Inventories and Prepaid Items

Inventories of governmental funds are recorded as expenditures when consumed rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements.

#### Capital Assets

Capital assets which include property, plant and equipment, and infrastructure assets (e.g., roads, sidewalks and similar items) are reported in the government activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 (amount not rounded) and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

**NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**Assets, Liabilities and Net Position or Equity (Continued)**

Capital Assets (Continued)

Property, plant and equipment of the District are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Infrastructure and recreational facilities	25
Roadways and buildings	30
Furniture, fixtures and equipment	10

In the governmental fund financial statements, amounts incurred for the acquisition of capital assets are reported as fund expenditures. Depreciation expense is not reported in the governmental fund financial statements.

Unearned Revenue

Governmental funds report unearned revenue in connection with resources that have been received, but not yet earned.

Long-Term Obligations

In the government-wide financial statements long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Bond premiums and discounts are deferred and amortized ratably over the life of the Bonds. Bonds payable are reported net of applicable premiums or discounts. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognize premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time.

Fund Equity/Net Position

In the fund financial statements, governmental funds report non spendable and restricted fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Assignments of fund balance represent tentative management plans that are subject to change.

The District can establish limitations on the use of fund balance as follows:

Committed fund balance – Amounts that can be used only for the specific purposes determined by a formal action (resolution) of the Board of Supervisors. Commitments may be changed or lifted only by the Board of Supervisors taking the same formal action (resolution) that imposed the constraint originally. Resources accumulated pursuant to stabilization arrangements sometimes are reported in this category.

## **NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

### **Assets, Liabilities and Net Position or Equity (Continued)**

#### **Fund Equity/Net Position (Continued)**

**Assigned fund balance** – Includes spendable fund balance amounts that are intended to be used for specific purposes that are neither considered restricted nor committed. The Board may also assign fund balance as it does when appropriating fund balance to cover differences in estimated revenue and appropriations in the subsequent year's appropriated budget. Assignments are generally temporary and normally the same formal action need not be taken to remove the assignment.

The District first uses committed fund balance, followed by assigned fund balance and then unassigned fund balance when expenditures are incurred for purposes for which amounts in any of the unrestricted fund balance classifications could be used.

Net position is the difference between assets and deferred outflows of resources less liabilities and deferred inflows of resources. Net position in the government-wide financial statements are categorized as net investment in capital assets, restricted or unrestricted. Net investment in capital assets represents net position related to infrastructure and property, plant and equipment. Restricted net position represents the assets restricted by the District's Bond covenants or other contractual restrictions. Unrestricted net position consists of the net position not meeting the definition of either of the other two components.

#### **Other Disclosures**

##### **Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from those estimates.

## **NOTE 3 – BUDGETARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget. Annual Budgets are adopted on a basis consistent with generally accepted accounting principles for the general fund. All annual appropriations lapse at fiscal year-end.

The District follows these procedures in establishing the budgetary data reflected in the financial statements.

- a) Each year the District Manager submits to the District Board a proposed operating budget for the fiscal year commencing the following October 1.
- b) Public hearings are conducted to obtain public comments.
- c) Prior to October 1, the budget is legally adopted by the District Board.
- d) All budget changes must be approved by the District Board.
- e) The budgets are adopted on a basis consistent with generally accepted accounting principles.
- f) Unused appropriation for annually budgeted funds lapse at the end of the year.

## **NOTE 4 – DEPOSITS AND INVESTMENTS**

### **Deposits**

The District's cash balances were entirely covered by federal depository insurance or by a collateral pool pledged to the State Treasurer. Florida Statutes Chapter 280, "Florida Security for Public Deposits Act", requires all qualified depositories to deposit with the Treasurer or another banking institution eligible collateral equal to various percentages of the average daily balance for each month of all public deposits in excess of any applicable deposit insurance held. The percentage of eligible collateral (generally, U.S. Governmental and agency securities, state or local government debt, or corporate bonds) to public deposits is dependent upon the depository's financial history and its compliance with Chapter 280. In the event of a failure of a qualified public depository, the remaining public depositories would be responsible for covering any resulting losses.

**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**Investments**

The District's investments were held as follows at September 30, 2023:

	Amortized cost	Credit Risk	Maturities
First American Treasury Obligation Fund Cl Z	\$ 902,740	S&P AAAM	Weighted average of the fund portfolio: 15 days
Florida PRIME	11,920	S&P AAAM	Weighted average of the fund portfolio: 35 days
Total Investments	<u>\$ 914,660</u>		

*Credit risk* – For investments, credit risk is generally the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Investment ratings by investment type are included in the preceding summary of investments.

*Concentration risk* – The District places no limit on the amount the District may invest in any one issuer.

*Interest rate risk* – The District does not have a formal policy that limits investment maturities as a means of managing exposure to fair value losses arising from increasing interest rates.

However, the Bond Indenture limits the type of investments held using unspent proceeds.

*Fair Value Measurement* – When applicable, the District measures and records its investments using fair value measurement guidelines established in accordance with GASB Statements. The framework for measuring fair value provides a fair value hierarchy that prioritizes the inputs to valuation techniques.

These guidelines recognize a three-tiered fair value hierarchy, in order of highest priority, as follows:

- *Level 1:* Investments whose values are based on unadjusted quoted prices for identical investments in active markets that the District has the ability to access;
- *Level 2:* Investments whose inputs - other than quoted market prices - are observable either directly or indirectly; and,
- *Level 3:* Investments whose inputs are unobservable.

The fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the entire fair value measurement. Valuation techniques used should maximize the use of observable inputs and minimize the use of unobservable inputs.

Money market investments that have a maturity at the time of purchase of one year or less and are held by governments other than external investment pools should be measured at amortized cost. For external investment pools that qualify to be measured at amortized cost, the pool's participants should also measure their investments in that external investment pool at amortized cost for financial reporting purposes. Accordingly, the District's investments have been reported at amortized cost above.



**NOTE 4 – DEPOSITS AND INVESTMENTS (Continued)**

**Investments (Continued)**

*External Investment Pool* – With regard to redemption gates, Chapter 218.409(8)(a), Florida Statutes, states that “The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.”

With regard to liquidity fees, Florida Statute 218.409(4) provides authority for the SBA to impose penalties for early withdrawal, subject to disclosure in the enrollment materials of the amount and purpose of such fees. At present, no such disclosure has been made.

As of September 30, 2023, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100% of their account value.

**NOTE 5 – INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

Interfund receivables and payables at September 30, 2023 were as follows:

Fund	Receivable	Payable
General	\$ 44,543	\$ -
Debt Service	-	44,057
Capital projects	-	486
Total	<u>\$ 44,543</u>	<u>\$ 44,543</u>

The outstanding balances between funds result primarily from the time lag between the dates that transactions are recorded in the accounting system and payments between funds are made. In the case of the District, the balances between the general fund and the debt service fund mainly relate to a short-term loan from the general fund to the debt service to help make the debt service payments as all assessments were not yet collected. See Note 11 – Subsequent Events for repayment of the short-term loan.

Interfund transfers for the fiscal year ended September 30, 2023 were as follows:

Fund	Transfer in	Transfer out
Debt service	\$ -	\$ 31,425
Capital projects	31,425	-
Total	<u>\$ 31,425</u>	<u>\$ 31,425</u>

Transfers are used to move revenues from the fund where collection occurs to the fund where funds have been reallocated for use. In the case of the District, transfers from the debt service fund to the capital projects fund were made in accordance with the Bond Indentures.

**NOTE 6 – CAPITAL ASSETS**

Capital asset activity for the fiscal year ended September 30, 2023 was as follows:

	Beginning Balance	Additions	Reductions	Ending Balance
<u>Governmental activities</u>				
Capital assets, not being depreciated				
Construction in progress	\$ 467,994	\$ -	\$ -	\$ 467,994
Land	538,421	-	-	538,421
Total capital assets, not being depreciated	1,006,415	-	-	1,006,415
Capital assets, being depreciated				
Infrastructure	6,059,126	-	-	6,059,126
Roadways	4,389,717	-	-	4,389,717
Recreational facilities	2,307,648	-	-	2,307,648
Buildings	773,216	-	-	773,216
Furniture, fixtures and equipment	118,141	-	-	118,141
Total capital assets, being depreciated	13,647,848	-	-	13,647,848
Less accumulated depreciation for:				
Infrastructure	3,997,537	242,365	-	4,239,902
Roadways	2,363,103	146,324	-	2,509,427
Recreational facilities	1,402,124	92,306	-	1,494,430
Buildings	451,962	25,774	-	477,736
Furniture, fixtures and equipment	118,141	-	-	118,141
Total accumulated depreciation	8,332,867	506,769	-	8,839,636
Total capital assets, being depreciated, net	5,314,981	(506,769)	-	4,808,212
Governmental activities capital assets, net	\$ 6,321,396	\$ (506,769)	\$ -	\$ 5,814,627

Depreciation expense was charged to function/programs as follows:

Physical environment	\$ 268,139
Culture and recreation	92,306
Roads and streets	146,324
Total	<u>\$ 506,769</u>

Subsequent to year end, the District issued Series 2024 Bonds to finance certain District’s capital improvements related to Neighborhood Four ( see Note 12 – Subsequent Events for more details). The costs of the planned improvements have been estimated at \$21,031,220. A portion of the project costs is expected to be financed with the proceeds from the issuance of Series 2024 Bonds with the remainder to be funded by the Developer and conveyed to the District.

At September 30, 2023, there is a balance of \$255,437 in the Series 2005 deferred cost account. The District has not yet determined if a liability exists for deferred obligations.

**NOTE 7 – LONG TERM LIABILITIES**

**Series 2005**

In October 2005, the District issued \$6,270,000 of Special Assessment Refunding Revenue Bonds, Series 2005 due on May 1, 2030 with a fixed interest rate of 5.4%. The Bonds were issued to refund a portion of the District’s outstanding Special Assessment Revenue Bonds, Series 1999A; acquire and construct certain assessable improvements and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2005. Principal on the Bonds is to be paid serially commencing May 1, 2006 through May 1, 2030.

**NOTE 7 – LONG TERM LIABILITIES (Continued)**

**Series 2005 (Continued)**

The Series 2005 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture. This occurred during the current fiscal year as the District collected assessments from lot closings and prepaid \$10,000 of the Series 2005 Bonds.

The Bond Indenture established a debt service reserve requirement as well as other 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements at September 30, 2023.

**Series 2006**

In May 2006, the District issued \$4,350,000 of Special Assessment Refunding Revenue Bonds, Series 2006 due on May 1, 2030 with a fixed interest rate of 5.375%. The Bonds were issued to refund a portion of the District's outstanding Special Assessment Revenue Bonds, Series 1999A; acquire and construct certain assessable improvements and pay certain costs associated with the issuance of the Bonds. Interest is to be paid semiannually on each May 1 and November 1, commencing November 1, 2006. Principal on the Bonds is to be paid serially commencing May 1, 2007 through May 1, 2030.

The Series 2006 Bonds are subject to redemption at the option of the District prior to their maturity. The Bonds are subject to extraordinary mandatory redemption prior to their selected maturity in the manner determined by the Bond Registrar if certain events occur as outlined in the Bond Indenture. This occurred during the current fiscal year as the District collected assessments from lot closings and prepaid \$10,000 of the Series 2006 Bonds.

The Bond Indenture established a debt service reserve requirement as well as other 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 agreed to levy special assessments in annual amounts adequate to provide payment of debt service and to meet the reserve requirements. The District is in compliance with the requirements at September 30, 2023.

**Long-term Debt Activity**

Changes in long-term liability activity for the fiscal year ended September 30, 2023 were as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due Within One Year
<u>Governmental activities</u>					
Series 2005	\$ 2,940,000	\$ -	\$ 310,000	\$ 2,630,000	\$ 315,000
Series 2006	1,610,000	-	175,000	1,435,000	175,000
Total	<u>\$ 4,550,000</u>	<u>\$ -</u>	<u>\$ 485,000</u>	<u>\$ 4,065,000</u>	<u>\$ 490,000</u>

At September 30, 2023, the scheduled debt service requirements on the long-term debt were as follows:

Year ending September 30:	Governmental Activities		
	Principal	Interest	Total
2024	\$ 490,000	\$ 219,151	\$ 709,151
2025	515,000	192,735	707,735
2026	550,000	164,970	714,970
2027	580,000	135,319	715,319
2028	610,000	104,050	714,050
2029-2030	1,320,000	107,824	1,427,824
Total	<u>\$ 4,065,000</u>	<u>\$ 924,049</u>	<u>\$ 4,989,049</u>

## **NOTE 8 – OTHER MATTERS**

### **Neighborhood Four Development Agreement**

In December 2020, the District entered into a Development Agreement relating to the undeveloped Neighborhood 4 tract. Under the agreement, the new Developer would acquire and construct public infrastructure within Neighborhood Four and the District would accept ownership and maintenance for a portion of those improvements. The District plans to issue Bonds to finance the District Improvements in Neighborhood Four. The new Developer will fund the fees and cost relating to Bond validation. In the event Bonds are not successfully issued, the new Developer would fund all the public infrastructure to serve Neighborhood Four. The District also agreed to establish a debt service reserve account in minimum amount required and approved by Bond purchasers. The new Developer will reimburse the District for legal and engineering fees and costs incurred during construction of Neighborhood Four. Subsequent to fiscal year end, the District did issue the Series 2024 Bonds to finance the cost of infrastructure improvements related to Neighborhood Four (See Note 12 – Subsequent Events for more detail).

## **NOTE 9 – MANAGEMENT COMPANY**

The District has contracted with a management company to perform management advisory services, which include financial and accounting services. Certain employees of the management company also serve as officers (Board appointed non-voting positions) of the District. Under the agreement, the District compensates the management company for management, accounting, financial reporting, and other administrative costs.

## **NOTE 10 – 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. The District has obtained commercial insurance from independent third parties to mitigate the costs of these risks; coverage may not extend to all situations. There were no settled claims during the past three years.

## **NOTE 11 – SUBSEQUENT EVENTS**

### **Bond Issuance**

Subsequent to fiscal year end, the District issued \$7,000,000 of Series 2024 Bonds, consisting of multiple term bonds with due dates ranging from May 1, 2031 - May 1, 2054 and fixed interest rates ranging from 4.5% to 5.75%. The Bonds were issued to finance the acquisition and construction of certain improvements for the benefit of the District.

### **Bank Loan**

Also subsequent to fiscal year end, the District obtained a bank loan in the amount of \$150,000 due on November 17, 2026 with a fixed interest rate of 6.80%. The loan was obtained to finance the acquisition and construction of certain improvements for the benefit of the District.

### **Interfund Short-term Loan**

Subsequent to fiscal year end, the debt service fund paid off the short-term loan from the general fund.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE - BUDGET AND ACTUAL – GENERAL FUND  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023**

	Budgeted Amounts Original & Final	Actual Amounts	Variance with Final Budget - Positive (Negative)
<b>REVENUES</b>			
Assessments	\$ 898,493	\$ 928,314	\$ 29,821
Interest	-	559	559
Miscellaneous income	4,000	5,265	1,265
Total revenues	902,493	934,138	31,645
<b>EXPENDITURES</b>			
Current:			
General government	138,200	143,018	(4,818)
Physical environment	578,391	601,409	(23,018)
Culture and recreation	112,200	119,061	(6,861)
Roads and streets	28,700	22,298	6,402
Capital outlay	67,784	-	67,784
Total expenditures	925,275	885,786	39,489
Excess (deficiency) of revenues over (under) expenditures	(22,782)	48,352	71,134
Other Financing Sources (Uses)			
Use of fund balance	22,782	-	(22,782)
Total other financing sources (uses)	22,782	-	(22,782)
Net change in fund balance	\$ -	48,352	\$ 48,352
Fund balance - beginning		(7,492)	
Fund balance - ending		\$ 40,860	

See notes to required supplementary information

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**

The District is required to establish a budgetary system and an approved Annual Budget for the General Fund. The District's budgeting process is based on estimates of cash receipts and cash expenditures which are approved by the Board. The budget approximates a basis consistent with accounting principles generally accepted in the United States of America (generally accepted accounting principles).

The legal level of budgetary control, the level at which expenditures may not exceed budget, is in the aggregate. Any budget amendments that increase the aggregate budgeted appropriations must be approved by the Board of Supervisors. Actual general fund expenditures did not exceed appropriations for the fiscal year ended September 30, 2023.

**LONGLEAF COMMUNITY DEVELOPMENT DISTRICT  
PASCO COUNTY, FLORIDA  
OTHER INFORMATION – DATA ELEMENTS  
REQUIRED BY FL STATUTE 218.39(3)(C)  
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2023  
UNAUDITED**

<u>Element</u>	<u>Comments</u>
Number of District employees compensated in the last pay period of the District's fiscal year being reported.	0
Number of independent contractors compensated to whom nonemployee compensation was paid in the last month of the District's fiscal year being reported.	14
Employee compensation	\$0.00
Independent contractor compensation	\$346,507.96
Construction projects to begin on or after October 1; (\$65K)	Not applicable
Budget variance report	See the Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual - General Fund
Ad Valorem taxes	Not applicable
Non ad valorem special assessments;	
Special assessment rate	Operations and maintenance - \$321.55 - \$6,149.25 Debt service - \$204.00 - \$5,961.00
Special assessments collected	\$1,662,454.00
Outstanding Bonds:	see Note 7 for details



**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**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco 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 the governmental activities and each major fund of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our opinion thereon dated August 16, 2024.

**Report on Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the 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 the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the 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 a 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 were not identified.

**Report on Compliance and Other Matters**

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and 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.



August 16, 2024



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH THE  
REQUIREMENTS OF SECTION 218.415, FLORIDA STATUTES, REQUIRED BY  
RULE 10.556(10) OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

We have examined Longleaf Community Development District, Pasco County, Florida's ("District") compliance with the requirements of Section 218.415, Florida Statutes, in accordance with Rule 10.556(10) of the Auditor General of the State of Florida during the fiscal year ended September 30, 2023. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the 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. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced in Section 218.415, Florida Statutes. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements relating to the examination engagement.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended September 30, 2023.

This report 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, management, and the Board of Supervisors of Longleaf Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

*Grau & Associates*

August 16, 2024



**MANAGEMENT LETTER PURSUANT TO THE RULES OF  
THE AUDITOR GENERAL FOR THE STATE OF FLORIDA**

To the Board of Supervisors  
Longleaf Community Development District  
Pasco County, Florida

**Report on the Financial Statements**

We have audited the accompanying basic financial statements of Longleaf Community Development District, Pasco County, Florida ("District") as of and for the fiscal year ended September 30, 2023, and have issued our report thereon dated August 16, 2024.

**Auditor's Responsibility**

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; 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 Auditor General.

**Other Reporting Requirements**

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 the Financial Statements Performed in Accordance with *Government Auditing Standards*; and Independent Auditor's Report on an examination conducted in accordance with *AICPA Professional Standards*, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.550, Rules of the Auditor General. Disclosures in those reports, which are dated August 16, 2024, should be considered in conjunction with this management letter.

**Purpose of this Letter**

The purpose of this letter is to comment on those matters required by Chapter 10.550 of the Rules of the Auditor General for the State of Florida. Accordingly, in connection with our audit of the financial statements of the District, as described in the first paragraph, we report the following:

- I. Current year findings and recommendations.**
- II. Status of prior year findings and recommendations.**
- III. Compliance with the Provisions of the Auditor General of the State of Florida.**

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, as applicable, management, and the Board of Supervisors of Longleaf Community Development District, Pasco County, Florida and is not intended to be and should not be used by anyone other than these specified parties.

We wish to thank the District, and the personnel associated with it, for the opportunity to be of service to them in this endeavor as well as future engagements, and the courtesies extended to us.

August 16, 2024

## REPORT TO MANAGEMENT

### I. CURRENT YEAR FINDINGS AND RECOMMENDATIONS

None

### II. PRIOR YEAR FINDINGS AND RECOMMENDATIONS

#### 2022-01; 2021-01, 2020-01, 2019-01, 2018-01 Budget

Current Status: Finding will not be repeated since expenditures did not exceed appropriations in the general funding for the fiscal year ended September 30, 2023.

### III. COMPLIANCE WITH THE PROVISIONS OF THE AUDITOR GENERAL OF THE STATE OF FLORIDA

Unless otherwise required to be reported in the auditor's report on compliance and internal controls, the management letter shall include, but not be limited to the following:

1. A statement as to whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report.

There were no significant findings and recommendations made in the preceding annual financial audit report for the fiscal year ended September 30, 2022, except as noted above.

2. Any recommendations to improve the local governmental entity's financial management.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported for the fiscal year ended September 30, 2023.

3. 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.

There were no such matters discovered by, or that came to the attention of, the auditor, to be reported, for the fiscal year ended September 30, 2023.

4. The name or official title and legal authority of the District are disclosed in the notes to the financial statements.

5. The District has not met one or more of the financial emergency conditions described in Section 218.503(1), Florida Statutes.

6. We applied financial condition assessment procedures and no deteriorating financial conditions were noted. It is management's responsibility to monitor financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information provided by same.

7. Management has provided the specific information required by Section 218.39(3)(c) in the Other Information section of the financial statements on page 25.



