

This Preliminary Limited Offering Memorandum and the information contained herein are subject to completion or amendment. Under no circumstances shall this Preliminary Limited Offering Memorandum constitute an offer to sell or a solicitation of an offer to buy, nor shall there be any sale of the Series 2024 Bonds in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of such jurisdiction. The District has deemed this Preliminary Limited Offering Memorandum "final," except for permitted omissions, within the contemplation of Rule 15c2-12 promulgated by the Securities and Exchange Commission.

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED NOVEMBER 4, 2024**

**NEW ISSUE - BOOK-ENTRY ONLY  
LIMITED OFFERING**

**NOT RATED**

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and the continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2024 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes; and, further, interest on the Series 2024 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Internal Revenue Code of 1986, as amended (the "Code") on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2024 Bonds. Bond Counsel is further of the opinion that the Series 2024 Bonds and the interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" herein.

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT  
(CHARLOTTE AND LEE COUNTIES, FLORIDA)  
\$54,255,000\*  
Special Assessment Revenue Bonds, Series 2024  
(Series 2024 Project)**

**Dated: Date of Delivery**

**Due: As set forth herein.**

The Babcock Ranch Community Independent Special District Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project) (the "Series 2024 Bonds") are being issued by the Babcock Ranch Community Independent Special District (the "District" or "Issuer") only as registered bonds without coupons in current interest form in denominations of \$5,000 and integral multiples thereof except as expressly set forth otherwise herein.

The District will apply the proceeds of the Series 2024 Bonds to: (i) finance a portion of the cost of acquiring, constructing and equipping the Series 2024 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2024 Bonds; (iii) pay a portion of the interest to become due on the Series 2024 Bonds; and (iv) make a deposit into the Series 2024 Reserve Account for the benefit of the Series 2024 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2024 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein, and "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

The Series 2024 Bonds will bear interest at the fixed rates set forth on the inside cover, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing May 1, 2025.

The Series 2024 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC") of New York, New York. Purchases of beneficial interests in the Series 2024 Bonds will be made only in book-entry form. Accordingly, principal of, and interest on the Series 2024 Bonds will be paid from sources described below by U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, as trustee (the "Trustee"), directly to Cede & Co., as 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 the Direct Participants and the Indirect Participants (as defined herein), as more fully described herein. Any purchaser of a beneficial interest in a Series 2024 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 2024 Bond. See "BOOK-ENTRY ONLY SYSTEM" herein.

The District is an independent special district duly established and existing pursuant to Chapter 2007-306, Laws of Florida, effective on June 27, 2007, as amended by Chapter 2016-257, Laws of Florida, effective on March 25, 2016 (collectively, the "Act"), and is a public body corporate and politic, an independent, limited, special purpose local government, and independent special district under Sections 189.031 and 189.012(3), Florida Statutes. The boundaries of the District contain approximately 13,630 acres of land in Charlotte County, Florida ("Charlotte County"), and an additional approximately 4,157 acres located in Lee County, Florida ("Lee County"). The District was created for the purpose of planning, constructing, maintaining, operating, financing, and improving the provision of systems, facilities, and services necessary to meet the infrastructure needs of the Development (as defined herein).

The Series 2024 Bonds are being issued by the District pursuant to the Act, Resolution Nos. 2008-04, 2020-19 and 2024-89 adopted by the Governing Board of the District (the "Board") on November 1, 2007, July 30, 2020 and September 30, 2024, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of December 1, 2015 (the "Master Indenture"), as supplemented by that certain Eleventh Supplemental Trust Indenture dated as of November 1, 2024 (the "Eleventh Supplemental Indenture" and, together with the Master Indenture, the "Indenture"). Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The Series 2024 Trust Estate is comprised of all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Indenture, the Series 2024 Pledged Revenues and the Series 2024 Pledged Funds. The Series 2024 Pledged Revenues are mainly comprised of the Series 2024 Special Assessments (as defined herein) that are imposed, levied and collected by the District on the assessable property within Series 2024 Assessment Area specifically benefitted by the Series 2024 Project. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS" herein.

NEITHER THE SERIES 2024 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA (THE "STATE"). THE SERIES 2024 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 2024 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2024 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 TRUST ESTATE (AS DEFINED HEREIN) PLEDGED TO THE SERIES 2024 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

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

The Series 2024 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). The Underwriter named below is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024 Bonds. The Series 2024 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2024 Bonds.

This cover page contains certain limited information for quick reference only. It is not, and is not intended to be, a summary of the matters relating to the Series 2024 Bonds. Potential investors should read the entire Limited Offering Memorandum (including the cover page, the inside cover page, and all appendices attached hereto) to obtain information essential to the making of an informed investment decision.

**MATURITY SCHEDULE**

\$ \_\_\_\_\_ - \_\_\_\_% Series 2024 Term Bond due May 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_\*\*  
\$ \_\_\_\_\_ - \_\_\_\_% Series 2024 Term Bond due May 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_\*\*  
\$ \_\_\_\_\_ - \_\_\_\_% Series 2024 Term Bond due May 1, 20\_\_\_\_, Yield \_\_\_\_\_%, Price \_\_\_\_\_ CUSIP # \_\_\_\_\_\*\*

The initial sale of the Series 2024 Bonds is subject to certain conditions precedent, including, without limitation, receipt of the opinion of Greenberg Traurig, P.A., Orlando, Florida, Bond Counsel, as to the validity of the Series 2024 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, Florida, for the Developer (as defined herein) by its counsel, Akerman LLP, Jacksonville, Florida. GrayRobinson, P.A., Tampa, Florida is serving as Underwriter's counsel. It is expected that the Series 2024 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2024.



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

\* Preliminary, subject to change.

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

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT**

**GOVERNING BOARD**

Bill Vander May,\* Chairperson  
Bill Moore,\*/\*\* Vice-Chairperson  
Christine Barker,\* Assistant Secretary  
Melvin Jordan,\* /\*\* Assistant Secretary  
Laura Keller,\* /\*\* Assistant Secretary

\* Employee of, or affiliated with, the Developer

\*\* Seats with terms expiring in November 2024, which are expected to be filled during the landowners' election on November 5, 2024. See "THE DISTRICT – Governing Board" for more information.

**DISTRICT MANAGER/METHODOLOGY CONSULTANT**

Wrathell, Hunt and Associates, LLC  
Boca Raton, Florida

**DISTRICT COUNSEL**

Kutak Rock LLP  
Tallahassee, Florida

**BOND COUNSEL**

Greenberg Traurig, P.A.  
Orlando, Florida

**CONSULTING ENGINEER**

Kimley-Horn and Associates, Inc.  
Fort Myers, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT OR THE UNDERWRITER TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE SERIES 2024 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 2024 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 DEVELOPER (AS DEFINED HEREIN), THE DISTRICT, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, THEIR RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT OR THE DEVELOPER OR IN THE STATUS OF THE DEVELOPMENT, SERIES 2024 ASSESSMENT AREA OR THE SERIES 2024 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 2024 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 2024 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, CHARLOTTE COUNTY, FLORIDA, LEE COUNTY, FLORIDA, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2024 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF SERIES 2024 SPECIAL ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S AND THE DEVELOPER'S CONTROL. BECAUSE THE DISTRICT AND THE DEVELOPER CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

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

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE DISTRICT'S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE DISTRICT, ARE FOR INFORMATIONAL 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 SEC ("RULE 15c2-12") PURSUANT TO THE SECURITIES AND EXCHANGE ACT OF 1934. THE ORDER AND PLACEMENT OF INFORMATION IN THIS LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES ATTACHED HERETO, ARE NOT AN INDICATION OF RELEVANCE, MATERIALITY OR RELATIVE IMPORTANCE, AND THIS LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES ATTACHED HERETO, SHOULD BE READ IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS LIMITED OFFERING MEMORANDUM ARE FOR CONVENIENCE ONLY AND IN NO WAY DEFINE, LIMIT OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISION OR SECTION 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 IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM EITHER OF SUCH WEBSITES.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR 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 PRELIMINARY LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

[THIS PAGE INTENTIONALLY LEFT BLANK]

## TABLE OF CONTENTS

	<b>PAGE</b>
INTRODUCTION .....	1
The District .....	1
The Development.....	1
Authority for Issuance .....	2
Purpose of the Series 2024 Bonds .....	3
Description of the Series 2024 Bonds.....	3
Security for and Sources of Payment of the Series 2024 Bonds .....	4
Other Information .....	4
DESCRIPTION OF THE SERIES 2024 BONDS.....	5
General Description .....	5
Redemption Provisions .....	6
Notice of Redemption.....	9
Book Entry-Only System.....	9
SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS .....	12
General.....	12
Covenant to Levy the Series 2024 Special Assessments.....	13
Prepayment of Series 2024 Special Assessments .....	13
Covenant Against Sale or Encumbrance .....	14
Additional Bonds .....	14
Acquisition and Construction Account.....	16
Reserve Account .....	17
Deposit and Application of the Series 2024 Pledged Revenues.....	18
Investments .....	19
Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner .....	20
Events of Default and Remedies.....	22
ENFORCEMENT OF ASSESSMENT COLLECTIONS .....	24
General.....	24
Direct Billing & Foreclosure Procedure .....	25
Uniform Method Procedure .....	26
BONDOWNERS' RISKS .....	29
Concentration of Land Ownership.....	29
Bankruptcy and Related Risks.....	29
Series 2024 Special Assessments Are Non-Recourse .....	30
Regulatory and Environmental Risks .....	31
Economic Conditions and Changes in Development Plans.....	32
Other Taxes and Assessments.....	32
Limited Secondary Market for Series 2024 Bonds.....	33
Inadequacy of Reserve Account .....	33
Legal Delays .....	33
IRS Examination and Audit Risk.....	34
Loss of Exemption from Securities Registration.....	36
Federal Tax Reform .....	36
State Tax Reform .....	36
Insufficient Resources or Other Factors Causing Failure to Complete Development.....	37

Pandemics and Other Public Health Emergencies.....	37
Cybersecurity .....	38
Prepayment and Redemption Risk.....	38
Payment of Series 2024 Special Assessments after Bank Foreclosure .....	38
ESTIMATED SOURCES AND USES OF FUNDS .....	39
DEBT SERVICE REQUIREMENTS.....	40
THE DISTRICT .....	41
General Information.....	41
Legal Powers and Authority .....	41
Governing Board.....	42
The District Manager and Other Consultants .....	43
Outstanding Bond Indebtedness .....	43
THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2024 PROJECT .....	46
ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS.....	50
General.....	50
Series 2024 Special Assessments .....	50
Other Taxes, Fees and Assessments .....	53
THE DEVELOPMENT .....	54
General.....	54
Update on Prior Phases .....	61
Development Finance Plan .....	61
Development Plan and Status .....	62
Builder Contracts and Builders.....	64
Residential Product Offerings.....	69
Amenities; Commercial/Retail Development.....	70
Development Approvals and Permits .....	80
Environmental.....	81
Utilities and the Utility System.....	81
Taxes, Fees and Assessments .....	82
Education .....	84
Competition .....	85
Developer Agreements .....	85
THE DEVELOPER .....	86
TAX MATTERS.....	89
General.....	89
Original Issue Discount and Premium .....	90
Changes in Federal and State Tax Law .....	91
Information Reporting and Backup Withholding .....	92
AGREEMENT BY THE STATE .....	92
LEGALITY FOR INVESTMENT .....	92
SUITABILITY FOR INVESTMENT .....	92
ENFORCEABILITY OF REMEDIES .....	93
LITIGATION.....	93
The District .....	93
The Developer.....	93
CONTINGENT FEES .....	93



NO RATING.....	94
EXPERTS .....	94
FINANCIAL INFORMATION .....	94
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS .....	94
CONTINUING DISCLOSURE.....	95
The District .....	95
The Landowners .....	95
UNDERWRITING .....	96
VALIDATION.....	96
LEGAL MATTERS.....	96
MISCELLANEOUS .....	97
AUTHORIZATION AND APPROVAL.....	98
APPENDIX A	COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE
APPENDIX B	FORM OF OPINION OF BOND COUNSEL
APPENDIX C	ENGINEER'S REPORT
APPENDIX D	ASSESSMENT METHODOLOGY
APPENDIX E	DISTRICT'S FINANCIAL STATEMENTS
APPENDIX F	FORM OF CONTINUING DISCLOSURE AGREEMENT

[THIS PAGE INTENTIONALLY LEFT BLANK]

## LIMITED OFFERING MEMORANDUM

### BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT (CHARLOTTE AND LEE COUNTIES, FLORIDA)

**\$54,255,000\***

**Special Assessment Revenue Bonds, Series 2024  
(Series 2024 Project)**

#### INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, the inside cover page, and appendices hereto, is to set forth certain information in connection with the offering and issuance by the Babcock Ranch Community Independent Special District (the "District" or "Issuer") of its \$54,255,000\* Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project) (the "Series 2024 Bonds").

#### **The District**

The District is an independent special district duly established and existing pursuant to Chapter 2007-306, Laws of Florida, effective on June 27, 2007, as amended by Chapter 2016-257, Laws of Florida, effective on March 25, 2016 (collectively, the "Act"), and is a public body corporate and politic, an independent, limited, special purpose local government, and independent special district under Sections 189.031 and 189.012(3), Florida Statutes. The boundaries of the District contain approximately 13,630 acres of land in Charlotte County, Florida ("Charlotte County") and an additional approximately 4,157 acres located in Lee County, Florida ("Lee County") (collectively, the "District Lands"). The District was created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands and has previously determined to undertake, in one or more stages, the acquisition and/or construction of public improvements and community facilities as set forth in the Act for the special benefit of the District Lands. The Act authorizes the District to issue bonds for the purposes of, among others, financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, or equipping and operating water management, water supply, sewer and wastewater management, roads, interchanges and bridges, streetlights and other basic infrastructure projects within or without the boundaries of the District, all as provided in the Act.

#### **The Development**

The District Lands are being developed as part of a large-scale, mixed-use development known as "Babcock Ranch" (referred to herein as the "Babcock Ranch Community"). The aggregate approximately 17,787 acres of land in the Babcock Ranch Community are located in both Charlotte and Lee Counties and are approved for approximately 19,500 residential units and 6,000,000 square feet of commercial space. The portion of the District Lands within Charlotte County is referred to herein as the "Charlotte Development." The Charlotte Development consists of approximately 13,630 acres and is subject to a Master Development of Regional Impact (the "Master DRI"). Under the Master DRI, the Charlotte Development is authorized for 17,870

---

\* Preliminary, subject to change.

residential units and 5,910,000 square feet of retail, office and industrial space, as well as 600 hotel rooms, 177 hospital beds, 418 assisted living units, 54 golf holes and ancillary facilities such as educational and research facilities, libraries, places of worship, parks, and utility infrastructure. The portion of the District Lands within Lee County is referred to herein as the "Lee Development." The Charlotte Development and the Lee Development are collectively referred to herein as the "Development." The Lee Development contains approximately 4,157 acres and is authorized for 1,630 residential units, 600 hotel rooms and 1,170,000 square feet of commercial office and retail uses. When combined with the commercial development in the Charlotte Development, commercial development within the Lee Development may not exceed the total commercial use approved in the Master DRI (4,830,000 square feet, as may be modified by the Master DRI's adopted conversion matrix). See "THE DEVELOPMENT" herein for more information.

The District Lands are being developed in phases. The development and buildout of Assessment Areas 1, 2A, 2B, 2C, 3A, 3B and 4, the Series 2021 Assessment Area and the Series 2022 Assessment Area (each as defined herein) have commenced and are ongoing. See "THE DISTRICT – Outstanding Indebtedness" and "THE DEVELOPMENT – Update to Prior Phases" herein.

The next phase of development, which will be subject to the Series 2024 Special Assessments (as defined herein) securing the Series 2024 Bonds, consists of the following: (i) Lee County Parcel 1 is comprised of approximately 124.92 gross acres planned for 249 residential units, (ii) Lee County Parcel 2 is comprised of approximately 175.77 gross acres planned for 124 residential units, (iii) MidTown Parcel 1 is comprised of approximately 58.0 gross acres planned for 220 residential units, (iv) MidTown Parcel 2 is comprised of approximately 58.55 gross acres planned for 231 residential units, (v) MidTown Parcel 3 is comprised of approximately 32.89 gross acres planned for 146 residential units, (vi) MidTown Parcel 4 is comprised of approximately 30.62 gross acres planned for 222 residential units, (vii) Tuckers Cove (Phase 1C & 1D) is comprised of approximately 107.0 gross acres that have been platted to contain 383 residential units, (viii) Webbs Reserve Phase 1 is comprised of approximately 149.85 gross acres that have been partially platted and are planned for 398 residential units and (ix) DiVosta Parcel Phase 2 is comprised of approximately 184.25 gross acres planned for 500 residential units (collectively, the "Series 2024 Assessment Area"). See "THE DEVELOPMENT – Development Plan and Status" herein for more information regarding the development plan for the Series 2024 Assessment Area.

Babcock Property Holdings, L.L.C., a Delaware limited liability company (the "Developer"), is the master developer of the Development and of the Series 2024 Assessment Area. The Developer will install the master infrastructure and sell undeveloped parcels with utilities and roadways serving the parcels to the Builders (as defined herein). To date, the land in Tuckers Cove (Phase 1C & 1D) and Webbs Reserve Phase 1 has closed with Lennar Homes (as defined herein). See "THE DEVELOPMENT – Builder Contracts and Builders" for more information regarding the Builders and the status of the various Builder Contracts.

### **Authority for Issuance**

The Series 2024 Bonds are being issued by the District pursuant to the Act, Resolution Nos. 2008-04, 2020-19 and 2024-89 adopted by the Governing Board of the District (the "Board")

on November 1, 2007, July 30, 2020 and September 30, 2024, respectively (collectively, the "Resolution"), and a Master Trust Indenture dated as of December 1, 2015 (the "Master Indenture"), as supplemented by that certain Eleventh Supplemental Trust Indenture dated as of November 1, 2024 (the "Eleventh Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

### **Purpose of the Series 2024 Bonds**

The District will apply the proceeds of the Series 2024 Bonds to: (i) finance a portion of the cost of acquiring, constructing and equipping the Series 2024 Project (as defined herein); (ii) pay certain costs associated with the issuance of the Series 2024 Bonds; (iii) pay a portion of the interest to become due on the Series 2024 Bonds; and (iv) make a deposit into the Series 2024 Reserve Account for the benefit of the Series 2024 Bonds. See "THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2024 PROJECT" and "ESTIMATED SOURCES AND USES OF FUNDS" herein, and "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

### **Description of the Series 2024 Bonds**

The Series 2024 Bonds will be issued as fully registered bonds, without coupons, in denominations of \$5,000 and any integral multiple thereof, and initially will be registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"). Purchases of beneficial ownership interests in the Series 2024 Bonds will be made in book-entry form only and purchasers of beneficial interests in the Series 2024 Bonds will not receive physical delivery of bond certificates. See "DESCRIPTION OF THE SERIES 2024 BONDS – Book Entry-Only System" herein. Payments of principal of, premium, if any, and interest on, any Series 2024 Bond will be made to Cede & Co., as nominee for DTC, as registered owner of the Series 2024 Bonds, by U.S. Bank Trust Company, National Association, as successor to U.S. Bank National Association, as Registrar and Paying Agent, to be subsequently disbursed to the Beneficial Owners of the Series 2024 Bonds.

Interest on the Series 2024 Bonds is payable semiannually on May 1 and November 1 of each year, commencing May 1, 2025. The Series 2024 Bonds will bear interest rates as set forth on the inside cover of this Limited Offering Memorandum. See "DESCRIPTION OF THE SERIES 2024 BONDS – General Description" herein.

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

## **Security for and Sources of Payment of the Series 2024 Bonds**

The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The Series 2024 Trust Estate is comprised of all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Indenture, the Series 2024 Pledged Revenues and the Series 2024 Pledged Funds. The Series 2024 Pledged Revenues are mainly comprised of the Series 2024 Special Assessments that are imposed, levied and collected by the District on the assessable property within the Series 2024 Assessment Area specifically benefitted by the Series 2024 Project. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS" herein.

NEITHER THE SERIES 2024 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA (THE "STATE"). THE SERIES 2024 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 2024 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2024 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 TRUST ESTATE PLEDGED TO THE SERIES 2024 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

### **Other Information**

THE SERIES 2024 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2024 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2024 BONDS. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2024 BONDS. SEE "BONDOWNERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

There follows in this Limited Offering Memorandum a brief description of the District, the Developer, the Development, the Builders, the Builder Contracts (as defined herein), the Series 2024 Assessment Area, the Series 2024 Project and summaries of the terms of the Series 2024 Bonds, the Indenture and certain provisions of the Act. All references herein to the Indenture and

the provisions of the Act are qualified in their entirety by reference to such documents and statutory provisions, and all references to the Series 2024 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Eleventh Supplemental Indenture appear in APPENDIX A attached hereto.

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

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

### **General Description**

The Series 2024 Bonds are issuable only as registered bonds without coupons in current interest form 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 2024 Bonds, at the time of initial delivery of the Series 2024 Bonds, such beneficial owner must either execute and deliver to the District and the Underwriter on the date of delivery of the Series 2024 Bonds an investor letter 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 (the "Securities Act"). A Beneficial Owner may hold Series 2024 Bonds in an aggregate amount which is less than \$5,000 as a result of any extraordinary mandatory redemption of Series 2024 Bonds (including as a result of Prepayments) or Amortization Installments on the Series 2024 Bonds that are made in due course, subject to rounding to the nearest \$5,000 increment of principal. The Series 2024 Bonds will mature, subject to the redemption provisions set forth herein, on the dates and in the amounts set forth on the inside cover page hereof. See "SUITABILITY FOR INVESTMENT" herein.

Each Series 2024 Bond shall be dated as of the date of initial issuance and delivery. Each Series 2024 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2024 Bond has been paid, in which event such Series 2024 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2024 Bonds, in which event, such Series 2024 Bond shall bear interest from its date of issuance. "Interest Payment Date" means each May 1 and November 1, commencing May 1, 2025, and any other date on which principal of the Series 2024 Bonds is paid, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Upon initial issuance, the ownership of each such Series 2024 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee for DTC, the initial Bond Depository. With respect to Series 2024 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2024 Bonds, (ii) the

delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2024 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2024 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Series 2024 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such Series 2024 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2024 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2024 Bond, for the purpose of registering transfers with respect to such Series 2024 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2024 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 in the Eleventh Supplemental Indenture 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 2024 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 2024 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 the Eleventh Supplemental Indenture, shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent. See "-Book Entry-Only System" herein for more information.

U.S. Bank Trust Company, National Association is initially serving as the Trustee, Registrar and Paying Agent for the Series 2024 Bonds.

## **Redemption Provisions**

### **Optional Redemption**

The Series 2024 Bonds maturing on or after May 1, 20\_\_, 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 100% of the principal amount of such Series 2024 Bonds or portions thereof to be redeemed, together with accrued interest to the Redemption Date.

[Remainder of page intentionally left blank.]



### Mandatory Redemption

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

\*

\* Maturity

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

\*

\* Maturity

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$		\$

\*

\* Maturity

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<b>May 1 of the Year</b>	<b>Amortization Installment</b>	<b>May 1 of the Year</b>	<b>Amortization Installment</b>
	\$	*	\$

\* Maturity

As more particularly set forth in the Indenture, any Series 2024 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 2024 Bonds. Amortization Installments are also subject to recalculation, as provided in the Eleventh Supplemental Indenture, as the result of the redemption of Series 2024 Bonds so as to reamortize the remaining Outstanding principal balance of the Series 2024 Bonds as set forth in the Eleventh Supplemental Indenture.

### **Extraordinary Mandatory Redemption**

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

(a) on or after the Date of Completion (as defined in the Master Indenture) of the Series 2024 Project, by application of moneys allocable to the Series 2024 Project transferred from the Series 2024 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Indenture, to the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account together with moneys deposited therein in accordance with the provisions of the Eleventh Supplemental Indenture, as a result of the reduction of the Series 2024 Reserve Account Requirement. If such redemption shall be in part, the District shall select such principal amount of Series 2024 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2024 Bonds is substantially level.

(b) from Prepayments (as defined in the Master Indenture) or other moneys deposited into the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2024 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2024 Bonds is substantially level.

(c) on the date on which the amount on deposit in the Funds and Account (other than the Series 2024 Rebate Account and the Series 2024 Acquisition and Construction Account) are sufficient to pay and redeem all of the Series 2024 Bonds then Outstanding, including accrued interest thereon.

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

### **Notice of Redemption**

Notice of each redemption of Series 2024 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the Redemption Date to each registered Owner of Series 2024 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 2024 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 2024 Bonds or such portions thereof on such date, interest on such Series 2024 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024 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 2024 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.

As provided in the Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events 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 2024 Bonds. The Series 2024 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2024 Bond certificate will be issued for each maturity of the Series 2024 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

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

Purchases of Series 2024 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2024 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2024 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 2024 Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in the Series 2024 Bonds, except in the event that use of the book-entry system for the Series 2024 Bonds is discontinued.

To facilitate subsequent transfers, all Series 2024 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 2024 Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not affect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2024 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2024 Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of Series 2024 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Series 2024 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the Series 2024 Bond documents. For example, Beneficial Owners of Series 2024 Bonds may wish to ascertain that the nominee holding the Series 2024 Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

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

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

Redemption proceeds, distributions, and interest payments on the Series 2024 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the Paying Agent on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District and/or the Paying Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

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

The District may decide to discontinue use of the system of book-entry transfers through DTC (or a successor securities depository). In that event, Series 2024 Bond certificates will be printed and delivered to DTC.

The information in this section concerning DTC and DTC's book-entry system information has been obtained from sources that the District believes to be reliable, but the District takes no responsibility for the accuracy thereof.

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 2024 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 2024 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 2024 BONDS**

### **General**

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

The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The "Series 2024 Trust Estate" is comprised of all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Indenture, the Series 2024 Pledged Revenues which are mainly the revenues derived by the District from the Series 2024 Special Assessments and Series 2024 Pledged Funds which are the Funds and Accounts (except for the Series 2024 Rebate Account) established by the Indenture. The "Series 2024 Special Assessments" are the Assessments imposed, levied and collected by the District with respect to the property specifically benefitted by the Series 2024 Project. The "Assessments" are the assessments levied and collected by or on

behalf of the District pursuant to the Act as amended from time to time, together with the applicable interest specified by resolution adopted by the Board, the interest specified in Chapter 170 Florida Statutes, as amended, if any such interest is collected by or on behalf of the Board, 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 the Series 2024 Bonds. The Series 2024 Special Assessments are non-ad valorem assessments being imposed pursuant to the Assessment Resolution (as defined in the Indenture) and the Series 2024 Special Assessment Proceedings (as defined in the Indenture). The Series 2024 Special Assessments will constitute a lien against the land as to which the Series 2024 Special Assessments are imposed. Non-ad valorem assessments are not based on millage and are not taxes but are a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

The Series 2024 Special Assessments are levied in an amount corresponding to the debt service on the Series 2024 Bonds and allocated to certain lands within the District on the basis of benefit received as a result of the Series 2024 Project. The Assessment Methodology (as defined herein), which describes the methodology for allocating the Series 2024 Special Assessments to the assessable lands within the Series 2024 Assessment Area, is included as APPENDIX D attached hereto. See also "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein for more information.

### **Covenant to Levy the Series 2024 Special Assessments**

The District has covenanted to comply with the terms of the proceedings adopted with respect to the Series 2024 Special Assessments, including the Assessment Methodology, and to levy the Series 2024 Special Assessments and 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 each Series 2024 Bonds, when due. If any Series 2024 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2024 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2024 Special Assessment when it might have done so, the District has additionally covenanted to either (i) take all necessary steps to cause a new Series 2024 Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement, or (ii) in its sole discretion, make up the amount of such Series 2024 Special Assessment from legally available moneys, which moneys shall be deposited into the Series 2024 Revenue Account. In case any such subsequent Series 2024 Special Assessment shall also be annulled, the District shall obtain and make other Series 2024 Special Assessments until a valid Series 2024 Special Assessment shall be made.

### **Prepayment of Series 2024 Special Assessments**

Pursuant to the Assessment Proceedings, an owner of property subject to the Series 2024 Special Assessments may pay the entire principal balance of such Series 2024 Special Assessments at any time, or a portion of the remaining balance of Series 2024 Special Assessments one time if there is also paid, in addition to the prepaid principal balance of the Series 2024 Special

Assessment, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding Quarterly Redemption Date for the Series 2024 Bonds, or, if prepaid during the forty-five (45) day period preceding such Quarterly Redemption Date, to the Quarterly Redemption Date following such next succeeding Quarterly Redemption Date. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

Pursuant to the Act, the provisions of Section 170.09, Florida Statutes, which permit the prepayment of special assessments without interest upon completion of a project funded by such assessments, are not applicable to assessments levied by the District. In addition, the Developer, Lennar Homes and the Tuckers Cove Landowner (as defined herein), respectively, as the owners of the majority\* of the property within the Series 2024 Assessment Area, on behalf of themselves and their respective successors and assigns, will acknowledge in connection with the issuance of the Series 2024 Bonds that no such right is available with respect to the Series 2024 Special Assessments. Such waivers shall not impact the above prepayment rights of the other current landowners in the Series 2024 Assessment Area. See "BONDOWNERS' RISKS – Prepayment and Redemption Risk" herein.

The Series 2024 Bonds are subject to extraordinary redemption as indicated under "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional prepayments of Series 2024 Special Assessments by property owners.

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

In the Master Indenture, the District has covenanted that (i) except for those improvements comprising a Series Project that are to be conveyed by the District to a unit of local government, or to the State or any agency instrumentality of either of the forgoing or the United States Government; and (ii) except as otherwise permitted in the related Supplemental Indenture, it will not sell, lease or otherwise dispose of or encumber a Series Project or any part thereof. See "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto for more information.

### **Additional Bonds**

#### **Limitation on Additional Bonds**

Under the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2024 Special Assessments levied on the Series 2024 Assessment Area. Such covenant shall not prohibit the District from issuing refunding bonds. In addition, the District will covenant not to issue any other Bonds or other debt obligations for capital projects, secured by Assessments on assessable lands which are subject to the Series 2024 Special Assessments levied on the Series 2024 Assessment Area, except for the SIB Loan Special Assessments (as defined herein and as it relates to the lands in Charlotte County), unless the Series 2024 Special Assessments have been Substantially Absorbed. "Substantially Absorbed" shall mean the date on which a principal amount of the Series 2024 Special Assessments equaling at least seventy-five percent (75%) of the then-Outstanding principal amount of the Series 2024

---

\* As of October 2024, approximately 21 homes have closed with end users and will not be subject to such waiver.



Bonds are levied on tax parcels within the District with respect to which a certificate of occupancy has been issued for a structure thereon and are occupied by end users. The District shall be responsible for ensuring the SIB Loan Special Assessments are not comingled with the Series 2024 Special Assessments and the Trustee shall have no obligation to question if amounts paid to it are not Series 2024 Special Assessments. The District shall present the Trustee with a certification that the Series 2024 Special Assessments are Substantially Absorbed, and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2024 Special Assessments are Substantially Absorbed.

Certain lands in Charlotte County will be encumbered with both the Series 2024 Special Assessment and the SIB Loan Special Assessments, which while on parity, the SIB Loan Special Assessments will be collected directly by the District and paid to the Florida State Infrastructure Bank and not the Trustee, and therefore will not be comingled with the Series 2024 Special Assessment. The District shall be responsible for ensuring the SIB Loan Special Assessments are not comingled with the Series 2024 Special Assessments and the Trustee shall have no obligation to question if amounts paid to it are not Series 2024 Special Assessments. See " – Other Taxes and Assessments" below for more information regarding the SIB Loan Special Assessments.

Notwithstanding any of the foregoing, the District shall not be precluded from imposing Special Assessments or non-ad valorem assessments on lands within the District for the health, safety, and welfare of the District's residents or for purposes of remediating any natural disaster, catastrophic damage, or failure that has occurred with respect to any capital project or any component thereof.

### **Other Taxes and Assessments**

The District is permitted to issue Bonds or other debt obligations on District Lands where no Series 2024 Special Assessments are levied for any capital project. The District anticipates issuing additional bonds in the future to fund improvements in future phases of development within the District that will be secured by Assessments on lands separate and distinct from the lands subject to any of the Series 2024 Special Assessments.

The District and other public entities currently impose and may impose additional taxes or other special assessments on the same properties encumbered by the Series 2024 Special Assessments without the consent of the Owners of the Series 2024 Bonds. The District currently imposes the SIB Loan Special Assessments (as defined herein) on a portion of the lands upon which the Series 2024 Special Assessments are imposed and also imposes certain non-ad valorem special assessments called maintenance assessments to fund the maintenance and operation of the District on the same lands upon which the Series 2024 Special Assessments are imposed, each which are of equal dignity with the Series 2024 Special Assessments. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS – Other Taxes and Assessments" herein for more information.

## **Acquisition and Construction Account**

The Eleventh Supplemental Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2024 Acquisition and Construction Account" to be held by the Trustee, except as provided in the Eleventh Supplemental Indenture, and shall be requisitioned by the District, using the form of requisition attached as an exhibit to the Eleventh Supplemental Indenture, subject to the provisions of the Eleventh Supplemental Indenture, to pay Costs of the Series 2024 Project as defined in the Engineer's Report upon compliance with the requisition provisions as set forth in the Master Indenture. Upon satisfaction of either the Reserve Release Conditions #1 or the Reserve Release Conditions #2 (each as defined herein), as the case may be, the amount on deposit in the Series 2024 Reserve Account in excess of the Series 2024 Reserve Account Requirement, as applicable and as calculated by the District, shall then be transferred by the Trustee to the Series 2024 Acquisition and Construction Account as directed in writing to the Trustee by the District Manager, upon consultation with the Consulting Engineer, and applied as provided in the Eleventh Supplemental Indenture.

Anything in the Master Indenture to the contrary notwithstanding, the Consulting Engineer shall establish a Date of Completion for the Series 2024 Project, and any balance remaining in the Series 2024 Acquisition and Construction Account allocable to the Series 2024 Project (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2024 Project which are required to be reserved in the Series 2024 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer establishing such Date of Completion) shall be deposited into the Series 2024 Prepayment Subaccount and applied to the redemption the Series 2024 Bonds in accordance with the Eleventh Supplemental Indenture. Notwithstanding the foregoing, the Series 2024 Acquisition and Construction Account shall not be closed until after the Reserve Release Conditions #2 shall have occurred and the excess funds from the Series 2024 Reserve Account shall have been transferred to the Series 2024 Acquisition and Construction Account and applied in accordance with Eleventh Supplemental Indenture. The Trustee shall not be responsible for determining the amount in the Series 2024 Acquisition and Construction Account allocable to the respective components of the Series 2024 Project.

Amounts on deposit in the Series 2024 Capitalized Interest Account shall, until and including November 1, 2025, be transferred into the Series 2024 Interest Account and applied to the payment of interest first coming due on the Series 2024 Bonds, and thereafter transferred into the Series 2024 Acquisition and Construction Account, and the Series 2024 Capitalized Interest Account shall be closed.

Anything in the Indenture to the contrary notwithstanding, the District will acknowledge in the Indenture that (i) the Series 2024 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024 Acquisition and Construction Account then held by the Trustee, (ii) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may not be used by the District (whether to pay costs of the Series 2024 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 Series 2024 Project and payment is for such work, and (iii) the Series 2024 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series

2024 Indenture. The District shall not enter into any binding agreement with respect to the Series 2024 Project after the occurrence of an Event of Default unless authorized in writing by the Majority Owners. See also "–Events of Default and Remedies" herein.

### **Reserve Account**

The Eleventh Supplemental Indenture establishes a "Series 2024 Reserve Account" within the Reserve Fund solely for the benefit of the Series 2024 Bonds. A portion of the proceeds of Series 2024 Bonds in the amount of the Series 2024 Reserve Account Requirement will be deposited into the Series 2024 Reserve Account. "Series 2024 Reserve Account Requirement" shall be (i) initially, an amount equal to fifty percent (50%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time; (ii) upon the occurrence of the Reserve Release Conditions #1, twenty-five percent (25%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time; and (iii) upon the occurrence of the Reserve Release Conditions #2, ten percent (10%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time. Upon satisfaction of the Reserve Release Conditions #1 or Reserve Release Conditions #2, as applicable, such excess amount shall be released from the Series 2024 Reserve Account and transferred to the Series 2024 Acquisition and Construction Account in accordance with the provisions of the Eleventh Supplemental Indenture. For the purpose of calculating the Series 2024 Reserve Account Requirement, fifty percent (50%) of maximum annual debt service, twenty-five percent (25%) of maximum annual debt service or ten percent (10%) of maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in the Eleventh Supplemental Indenture (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2024 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2024 General Redemption Subaccount or the Series 2024 Prepayment Subaccount as applicable, in accordance with the provisions of the form of Series 2024 Bond set forth as an exhibit to the Eleventh Supplemental Indenture. Amounts on deposit in the Series 2024 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2024 Bonds be used to pay principal of and interest on the Series 2024 Bonds at that time. Initially, the Series 2024 Reserve Account Requirement shall be equal to \$\_\_\_\_\_.

"Reserve Release Conditions #1" shall mean collectively (i) all lots subject to the Series 2024 Special Assessments closed with builders, as certified by the District Manager in writing and upon which the Trustee may conclusively rely, and (ii) there shall be no Events of Default under the Series 2024 Indenture with respect to the Series 2024 Bonds, as certified by the District Manager and upon which the Trustee may conclusively rely.

"Reserve Release Conditions #2" shall mean collectively (i) satisfaction of Reserve Release Conditions #1, (ii) all lots subject to the Series 2024 Special Assessments have constructed homes thereon which have each received a certificate of occupancy, (iii) all of the principal portion of the Series 2024 Special Assessments have been assigned to such homes and (iv) there shall be no Events of Default under the Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

Except as otherwise provided in the Indenture, amounts on deposit in the Series 2024 Reserve Account shall be used only for the purpose of making payments into the Series 2024

Interest Account, and the Series 2024 Sinking Fund Account to pay Debt Service on the Series 2024 Bonds, when due, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another, to the extent the moneys on deposit in such accounts therein and available therefor are insufficient and for no other purpose. Such Account shall consist only of cash and Series 2024 Investment Obligations.

On the earliest date on which there is on deposit in the Series 2024 Reserve Account, sufficient monies, after taking into account other monies available therefor (other than the Series 2024 Rebate Account and the Series 2024 Acquisition and Construction Account), to pay and redeem all of the Outstanding Series 2024 Bonds, together with accrued interest on such Series 2024 Bonds to the earliest date of redemption permitted in the Indenture, then the Trustee shall transfer the amount on deposit in the Series 2024 Reserve Account into the Series 2024 Prepayment Subaccount in the Series 2024 Redemption Account to pay and redeem all of the Outstanding Series 2024 Bonds on the earliest date permitted for redemption permitted in the Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2024 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 respective Delinquent Assessment Principal and respective Delinquent Assessment Interest.

### **Deposit and Application of the Series 2024 Pledged Revenues**

Pursuant to the Eleventh Supplemental Indenture there is established within the Revenue Fund a "Series 2024 Revenue Account," into which the Trustee shall deposit any and all amounts required to be deposited therein by 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 2024 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.

The Trustee shall deposit into the Series 2024 Revenue Account the Series 2024 Special Assessments, other than the Series 2024 Prepayment Principal which shall be identified by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2024 Prepayment Subaccount in the Redemption Account, and any other revenues required by other provisions of the Indenture to be deposited therein.

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 next preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024 Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the Series 2024 Bonds set forth in the form of Series 2024 Bond attached to the Indenture. In addition, and together with the moneys transferred from the Series 2024 Reserve Account pursuant to the Eleventh Supplemental Indenture, if the amount on deposit

is not sufficient to redeem a principal amount of the Series 2024 Bonds in an Authorized Denomination, the Trustee shall be authorized to withdraw amounts from the Series 2024 Revenue Account to round-up to the nearest Authorized Denomination. The Trustee is further authorized and directed to withdraw from the Series 2024 Interest Account (or if the amounts in the Series 2024 Interest Account are insufficient, from Series 2024 Revenue Account), the amount of interest accrued and due on the Series 2024 Bonds subject to redemption on any Redemption Date. Notwithstanding the foregoing, no transfers from the Series 2024 Revenue Account shall be made for the Series 2024 Bonds for the redemption pursuant to the Eleventh Supplemental Indenture if as a result the deposits required under the paragraphs below, FIRST through THIRD cannot be made in full.

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) commencing May 1, 2025, the Trustee shall first transfer from the Series 2024 Capitalized Interest Account to the Series 2024 Interest Account the lesser of (x) the amount of interest coming due on the Series 2024 Bonds on such May 1 or November 1, less the amount already on deposit therein, or (y) the amount remaining in the Series 2024 Capitalized Interest Account.

Following the foregoing transfers, 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 transfer amounts on deposit in the Series 2024 Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

FIRST, from the Series 2024 Revenue Account to the Series 2024 Interest Account of the Series 2024 Debt Service Account, an amount equal to the amount of interest payable on all Series 2024 Bonds then Outstanding on such May 1 or November 1, less any amount transferred from the Series 2024 Capitalized Interest Account in accordance with the Eleventh Supplemental Indenture, and less any other amount already on deposit in the Series 2024 Interest Account not previously credited;

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

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

FOURTH, the balance shall be retained in the Series 2024 Revenue Account.

## **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 2024 Bonds shall be invested only in Series 2024 Investment Obligations, and further, earnings on the Series 2024 Acquisition and Construction Account, the Series 2024 Capitalized Interest Account, and the Series 2024 Interest Account shall be retained, as realized, in such Accounts or subaccounts and used for the purpose

of such Account or subaccount. Earnings on investments in the other Funds and Accounts other than the Series 2024 Reserve Account shall be deposited, as realized, to the credit of the Series 2024 Revenue Account and used for the purpose of such Account.

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

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

(ii) if as of the last date on which amounts on deposit in the Series 2024 Reserve Account were valued by the Trustee there was a deficiency (as defined in the Master Indenture), or if after such date withdrawals have been made from the Series 2024 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2024 Reserve Account shall be deposited into the Series 2024 Reserve Account until the amount on deposit therein is equal to the Series 2024 Reserve Account Requirement, and then earnings on the Series 2024 Reserve Account shall be deposited into the Series 2024 Capitalized Interest Account through November 1, 2025 and thereafter, earnings in the Series 2024 Reserve Account shall be deposited into the Series 2024 Revenue Account and used for the purpose of such Account. See "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

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

The Master Indenture contains the following provisions, which shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least five percent (5%) any of the Series 2024 Special Assessments pledged to the Series 2024 Bonds Outstanding (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). The District will acknowledge and agree that, although the Series 2024 Bonds were issued by the District, the Owners of the Series 2024 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 agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2024 Bonds Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2024 Special Assessments relating to the Series 2024 Bonds Outstanding, the Outstanding Series 2024 Bonds

or any rights of the Trustee under the Indenture (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024 Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within 30 days following request for consent);

(ii) 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 2024 Special Assessments relating to the Series 2024 Bonds Outstanding, the Series 2024 Bonds Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2024 Bonds Outstanding, to the proposed action if the District does not receive a written response from the Trustee within 30 days following 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 2024 Special Assessments relating to the Series 2024 Bonds, Outstanding would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Series 2024 Special Assessments relating to the Series 2024 Bonds Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the Series 2024 Special Assessments relating to the Series 2024 Bonds Outstanding or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (a) to file a proof of claim with respect to the Series 2024 Special Assessments pledged to the Series 2024 Bonds Outstanding, (b) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (c) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing herein shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for

Maintenance Special Assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Maintenance Special Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Series 2024 Special Assessments relating to the Series 2024 Bonds Outstanding whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (iv) above. See "BONDOWNERS' RISKS - Bankruptcy Risks" herein for more information.

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

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

- (i) Any payment of Debt Service on the Series 2024 Bonds is not made when due;
- (ii) The District shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;
- (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 the Series 2024 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 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 90 days from the date of entry thereof;
- (iv) 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;
- (v) 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 90 days from the date of assumption of such custody or control;
- (vi) Any portion of the Series 2024 Special Assessments shall have become Delinquent Assessments and, as the result thereof, 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 2024 Reserve Account to pay Debt Service on the Series 2024 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series 2024 Reserve Account to pay Debt Service on the Series 2024 Bonds);



(vii) Material breach by the District of any material covenant made by it in the Indenture securing the Series 2024 Bonds, whether or not notice of such breach has been given; and

(viii) More than twenty percent (20%) of the Maintenance Special Assessments levied by the District on tax parcels subject to the Series 2024 Special Assessments are not paid by the date such are due and payable.

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 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 without benefit of any period for cure.

Upon the happening and continuance of any Event of Default specified above with respect to the Series 2024 Bonds, the Trustee shall, upon written direction of the Majority Owners of the Series 2024 Bonds then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Series 2024 Bonds 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 Series 2024 Bonds or in the Indenture to the contrary notwithstanding; provided, however, that no such declaration of acceleration shall occur in the case of Series 2024 Bonds secured by the Series 2024 Special Assessments, except to the extent that the Series 2024 Special Assessments have been accelerated and are currently due and payable in accordance with applicable law; and provided further, however, that if at any time after the aggregate principal amount of the Series 2024 Bonds 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 the Indenture, moneys shall have accumulated in the Series 2024 Revenue Account sufficient to pay the principal of all matured Series 2024 Bonds and all arrears of interest, if any, upon all the Series 2024 Bonds then Outstanding (except the aggregate principal amount of any the Series 2024 Bonds then Outstanding that is only due because of a declaration under the Indenture, and except for the interest accrued on the Series 2024 Bonds since the last Interest Payment Date), and all amounts then payable by the District under the Indenture 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 Series 2024 Bonds then Outstanding that is due only because of a declaration under the Indenture) shall have been remedied, then the Trustee or, if the Trustee is unable or unwilling to act, the Majority Owners of the Series 2024 Bonds then Outstanding not then due except by virtue of a declaration under the Indenture, may, by written notice to the District, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

Upon the happening and continuance of any Event of Default specified above with respect to the Series 2024 Bonds, the Trustee may protect and enforce the rights of the Owners of the Series 2024 Bonds under Florida law, and under the Indenture and the Series 2024 Bonds, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power in the Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

The Majority Owners of the Series 2024 Bonds then Outstanding shall, subject to the requirements of the Master Indenture, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee under the Master Indenture, provided that such directions shall not be in conflict with any rule of law or the Master Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Owners of the Series 2024 Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under the Master Indenture.

The District will covenant and agree in the Indenture that, upon the occurrence and continuance of an Event of Default, 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 Maintenance Special Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including Delinquent Direct Maintenance Special 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, from time to time, of the Series 2024 Bonds. See "APPENDIX A: COPY OF MASTER INDENTURE AND FORM OF THE ELEVENTH SUPPLEMENTAL INDENTURE" attached hereto.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2024 Bonds is the collection of Series 2024 Special Assessments (for purposes of this section referred to as "Special Assessments") imposed on certain lands in the District specially benefitted by the Series 2024 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

The imposition, levy, and collection of Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Charlotte County Tax Collector or the Lee County Tax Collector (collectively, the "Tax Collector"), as applicable or the Charlotte County Property Appraiser or the Lee County Property Appraiser (collectively, the "Property Appraiser"), as applicable to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2024 Special Assessments during any year. Such delays in the collection of Series 2024 Special Assessments, or complete inability to collect any of the Series 2024 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2024 Bonds. See "BONDOWNERS' RISKS" herein. To the extent that landowners fail to pay the Series 2024 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2024 Bonds.

For the Series 2024 Special Assessments to be valid, the Series 2024 Special Assessments must meet two requirements: (i) the benefit from the Series 2024 Project to the lands subject to the Series 2024 Special Assessments must exceed or equal the amount of the Series 2024 Special Assessments, and (ii) the Series 2024 Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Certificate of the Assessment Consultant certifies that these requirements have been met with respect to the Series 2024 Special Assessments. In the event that the Series 2024 Special Assessments are levied based on the assumptions that future contributions will be made, or that the future assessments may be levied to secure future bond issuances, the Series 2024 Special Assessments may need to be reallocated in the event such contributions are not made and/or future assessments and bonds are not levied and issued.

Pursuant to the Act and the Assessment Proceedings, the District may collect the Series 2024 Special Assessments through a variety of methods. See "BONDOWNERS' RISKS" herein. Initially, and for undeveloped properties owned by the Developer, and subsequent landowners, the District will directly issue annual bills to landowners requiring payment of the Series 2024 Special Assessments and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto. As lands are developed, the Series 2024 Special Assessments will be added to the applicable County tax roll and collected pursuant to the Uniform Method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

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

As noted above, and pursuant to Chapters 170, Florida Statutes and the Act, the District may directly levy, collect and enforce the Series 2024 Special Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2024 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one-year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2024 Special Assessments and the ability to foreclose the lien of such Series 2024 Special Assessments upon the failure to pay such Series 2024 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2024 Special Assessments. See "BONDOWNERS' RISKS" herein.

## **Uniform Method Procedure**

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2024 Special Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2024 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2024 Special Assessments will be collected together with applicable County, school, special district, and other ad valorem taxes and non-ad valorem assessments (collectively, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such Taxes and Assessments- including the Series 2024 Special Assessments - are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2024 Special Assessments. In other words, any partial payment by a landowner must be distributed in equal proportion to all taxing districts and levying authorities.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.222 and 197.374, Florida Statutes. Partial payments made pursuant to Sections 197.222 and 197.374, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2024 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2024 Special Assessments to not be collected to that extent, which could have a significant adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2024 Bonds.

Under the Uniform Method, if the Series 2024 Special Assessments are paid during November when due or during the following three (3) months, the taxpayer is granted a variable discount equal to four percentage point (4%) in November and decreasing one percentage point (1%) per subsequent month – i.e., 3% in December, 2% in January, 1% in February. No discount is given for payment in March or later. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2024 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is

applicable in any way to the Series 2024 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2024 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2024 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2024 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2024 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the applicable County in which the real property is situated. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or struck off, to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2024 Special Assessments), interest, costs and charges on the real property described in the certificate.

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

For any holder other than the County, a tax certificate expires seven (7) years after the date of issuance if a tax deed has not been applied for and no other administrative or legal proceeding, including a bankruptcy, has existed of record. After an initial period ending two (2) years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven (7) years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all

amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

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

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

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the applicable County Commission that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three (3) years from the date the land was offered for public sale, unsold lands escheat to the County in which they are located, free and clear. All tax certificates, accrued taxes, and liens of any nature against the property are canceled and a tax deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2024 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2024 Special Assessments, which are the primary source of payment of the Series 2024 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.

## **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other headings of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2024 Bonds offered hereby and are set forth below. Prospective investors in the Series 2024 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 2024 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This heading does not purport to summarize all risks that may be associated with purchasing or owning the Series 2024 Bonds, and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the Series 2024 Bonds.

### **Concentration of Land Ownership**

As of the date hereof, the Developer owns the majority of the assessable lands within the Series 2024 Assessment Area, which are the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds, with the remainder having closed with Lennar Homes.\* Payment of the Series 2024 Special Assessments is primarily dependent upon their timely payment by the Developer and the other future landowners in the Series 2024 Assessment Area. Non-payment of the Series 2024 Special Assessments by any of the landowners could have a substantial adverse impact upon the District's ability to pay debt service on the Series 2024 Bonds. See "THE DEVELOPER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS" herein.

### **Bankruptcy and Related Risks**

In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other owner of benefited property, delays could occur in the payment of debt service on the Series 2024 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Developer and any other landowner to pay the Series 2024 Special Assessments; (ii) the Tax

---

\* Lennar Homes has subsequently land banked the lands within Tuckers Cove 1C & 1D with the Tuckers Cove Landowner. In addition, Lennar Homes has commenced sales to homeowners within Tuckers Cove 1C & 1D and Webbs Reserve Phase 1. See "THE DEVELOPMENT – Development Plan and Status" and "–Builder Contracts and Builders" for more information.

Collector to sell tax certificates in relation to such property with respect to the Series 2024 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2024 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 2024 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the Series 2024 Bonds, including, without limitation, enforcement of the obligation to pay Series 2024 Special Assessments and the ability of the District to foreclose the lien of the Series 2024 Special Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the Series 2024 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Master Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an "Insolvent Taxpayer" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner" herein. The District cannot express any view whether such delegation would be enforceable.

### **Series 2024 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Series 2024 Bonds is the timely collection of the Series 2024 Special Assessments. The Series 2024 Special Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Developer or subsequent landowners will be able to pay the Series 2024 Special Assessments or that they will pay such Series 2024 Special Assessments even though financially able to do so. Neither the Developer nor any other subsequent landowners have any personal obligation to pay the Series 2024 Special Assessments. Neither the Developer nor any subsequent landowners are guarantors of payment of any Series 2024 Special Assessments, and the recourse for the failure of the Developer or any subsequent landowner to pay the Series 2024 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2024 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2024 Special



Assessments may ultimately depend on the market value of the land subject to the Series 2024 Special Assessments. While the ability of the Developer or subsequent landowners to pay the Series 2024 Special Assessments is a relevant factor, the willingness of the Developer or subsequent landowners to pay the Series 2024 Special Assessments, which may also be affected by the value of the land subject to the Series 2024 Special Assessments, is also an important factor in the collection of Series 2024 Special Assessments. The failure of the Developer or subsequent landowners to pay the Series 2024 Special Assessments could render the District unable to collect delinquent Series 2024 Special Assessments and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2024 Bonds.

### **Regulatory and Environmental Risks**

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

The value of the land within the District, the success of the Development, the development of the Series 2024 Assessment Area and the likelihood of timely payment of principal and interest on the Series 2024 Bonds could be affected by environmental factors with respect to the land in the District. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the land in the District, which could materially and adversely affect the success of the development of the lands within the District and the likelihood of the timely payment of the Series 2024 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Such information is being provided solely for informational purposes, and nothing herein or in such assessments grants any legal rights or remedies in favor of the Series 2024 Bondholders in the event any recognized environmental conditions are later found to be present on District Lands. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the lands in the Series 2024 Assessment Area.

The value of the lands subject to the Series 2024 Special Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District

Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Series 2024 Bonds. The Series 2024 Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

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

The successful development of the Series 2024 Assessment Area and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Developer. Moreover, the Developer has the right to modify or change plans for development of the Development from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2024 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2024 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District could, without the consent of the owners of the land within the District, impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2024 Special Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" herein for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2024 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2024 Special Assessment, even though the landowner is not contesting the amount of the Series 2024 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem assessments and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

## **Limited Secondary Market for Series 2024 Bonds**

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

## **Inadequacy of Reserve Account**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2024 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2024 Bonds because of the moneys on deposit in the Series 2024 Reserve Account. The ability of the Series 2024 Reserve Account to fund deficiencies caused by delinquencies in the payment of the Series 2024 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 2024 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys in the Series 2024 Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2024 Special Assessments, the moneys on deposit in the Series 2024 Reserve Account would be rapidly depleted and the ability of the District to pay debt service on the Series 2024 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2024 Reserve Account and such other Funds, Accounts and subaccounts created under the Master Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2024 Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2024 Special Assessments in order to provide for the replenishment of the Series 2024 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Series 2024 Reserve Account" herein for more information about the Series 2024 Reserve Account.

## **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2024 Special Assessments that are not being collected pursuant to the Uniform Method, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Series 2024 Bonds to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code (as defined herein), there are limitations on the amounts of proceeds from the Series 2024 Bonds that can be used for such purpose.

## **IRS Examination and Audit Risk**

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

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

after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in the State with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. The Act provides for the transition of the Governing Board of the District based on certain time frames and thresholds as further described in "THE DISTRICT – Governing Board" herein. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. The Developer will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Developer does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of the Series 2024 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable State or federal law.

Owners of the Series 2024 Bonds are advised that, if the IRS does audit the Series 2024 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 2024 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 2024 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 2024 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 2024 Bonds would adversely affect the availability of any secondary market for the Series 2024 Bonds. Should interest on the Series 2024 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2024 Bonds be required to pay income taxes on the interest received on such Series 2024 Bonds and related penalties, but because the interest rate on such Series 2024 Bonds will not be adequate to compensate Owners of the Series 2024 Bonds for the income taxes due on such interest, the value of the Series 2024 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATES ON THE SERIES 2024 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2024 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2024 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2024 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 2024 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL

SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HEREINAFTER DEFINED).

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

The Series 2024 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for securities issued by political subdivisions, if the District is ever deemed by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could in the future determine that the District is not a political subdivision for purposes of federal and state securities laws. Accordingly, the District and purchasers of Series 2024 Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2024 Bonds would need to ensure that subsequent transfers of the Series 2024 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act and applicable state securities laws.

### **Federal Tax Reform**

Various legislative proposals are mentioned from time to time by members of Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the IRS may, in the future, issue rulings that have the effect of challenging the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the Series 2024 Bonds, by eliminating or changing the tax-exempt status of interest on such bonds. Whether any such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the Series 2024 Bonds cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation. See also "TAX MATTERS" herein.

### **State Tax Reform**

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

legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2024 Bonds. It should be noted that Section 10(p) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under this 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."

### **Insufficient Resources or Other Factors Causing Failure to Complete Development**

The cost to finish the Series 2024 Project will exceed the net proceeds from the Series 2024 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2024 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Series 2024 Project. Further, the Indenture sets forth certain limitations on the issuance of additional bonds. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Additional Bonds" for more information.

Although the Developer and Lennar Homes will each agree to fund or cause to be funded the completion of their respective portions of the Series 2024 Project regardless of the insufficiency of proceeds from the Series 2024 Bonds and will enter into completion agreements with the District as evidence thereof, there can be no assurance that the Developer or Lennar Homes will have sufficient resources to do so. Such obligation of the Developer and Lennar Homes are unsecured obligations. The Developer is a special-purpose entity whose assets consist primarily of its interest in the Development. See "THE DEVELOPER" and "THE DEVELOPMENT – Builder Contracts and Builders" herein for more information.

There are no assurances that the Series 2024 Project and any other remaining development work associated with the Series 2024 Assessment Area will be completed. Further, there is a possibility that, even if the Series 2024 Assessment Area is developed, the Builders may not close on all or any of the lots therein, and such failure to close could negatively impact the construction and sale of homes in the Series 2024 Assessment Area. The Builder Contracts may also be terminated by the Builders upon the occurrence or failure to occur of certain conditions set forth therein. See "THE DEVELOPMENT – Builder Contracts" herein for more information about the Builders and the Builder Contracts. Further, even if development of the Series 2024 Assessment Area is completed, there are no assurances that all of the planned homes will be constructed and sold within the Series 2024 Assessment Area. See "THE DEVELOPER" herein for more information.

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

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

development approvals, construction delays, supply chain delays, or increased costs. See also "Economic Conditions and Changes in Development Plans" and "Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

### **Cybersecurity**

The District relies on a technological environment to conduct its operations. The District, its agents and other third parties the District does business with or otherwise relies upon are subject to cyber threats including, but not limited to, hacking, viruses, malware and other attacks on computer and other sensitive digital networks and systems. Entities or individuals may attempt to gain unauthorized access to such parties' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of debt service on the Series 2024 Bonds.

### **Prepayment and Redemption Risk**

In addition to being subject to optional and mandatory sinking fund redemptions, the Series 2024 Bonds are subject to extraordinary mandatory redemption, including, without limitation, as a result of prepayments of the Series 2024 Special Assessments by the Developer or subsequent owners of the property within the Series 2024 Assessment Area. Any such redemptions of the Series 2024 Bonds would be at the principal amount of such Series 2024 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the Series 2024 Bonds may not realize their anticipated rate of return on the Series 2024 Bonds and owners of any Premium Bonds (as defined herein) may receive less than the price they paid for the Series 2024 Bonds. See "DESCRIPTION OF THE SERIES 2024 BONDS – Redemption Provisions," "– Purchase of Series 2024 Bonds" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2024 BONDS – Prepayment of Series 2024 Special Assessments" herein for more information.

### **Payment of Series 2024 Special Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on a mortgage in favor of such bank on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2024 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

[Remainder of page intentionally left blank.]



**ESTIMATED SOURCES AND USES OF FUNDS**

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2024 Bonds:

	<b>Series 2024 Bonds</b>
<b>Sources of Funds:</b>	
Principal Amount	\$ _____
Less/Plus [Net] Original Issue Discount/Premium	_____
Total Sources	\$ _____
<b>Use of Funds:</b>	
Series 2024 Acquisition and Construction Account	\$ _____
Costs of Issuance Account <sup>(1)</sup>	_____
Series 2024 Assessment Area Capitalized Interest Account <sup>(2)</sup>	_____
Series 2024 Reserve Account	_____
Total Uses	\$ _____

---

<sup>(1)</sup> Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2024 Bonds.

<sup>(2)</sup> Capitalized interest through [\_\_\_\_\_ 1, 20\_\_].

[Remainder of page intentionally left blank.]

## DEBT SERVICE REQUIREMENTS

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

<u>Period Ending</u> <u>November 1</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>	<u>Total Debt</u> <u>Service</u>
---	------------------	-----------------	--------------	-------------------------------------

**Totals** \_\_\_\_\_

[Remainder of page intentionally left blank.]

## THE DISTRICT

### General Information

The District is an independent special district duly established and existing pursuant to Chapter 2007-306, Laws of Florida, effective on June 27, 2007, as amended by Chapter 2016-257, Laws of Florida, effective on March 25, 2016 (collectively, the "Act"), and is a public body corporate and politic, an independent, limited, special purpose local government, and independent special district under Sections 189.031 and 189.012(3), Florida Statutes. The boundaries of the District contain approximately 13,630 acres of land in Charlotte County and an additional approximately 4,157 acres located in Lee County (collectively, the "District Lands"). The District Lands are being developed as part of a large-scale, mixed-use development known as "Babcock Ranch" (referred to herein as the "Babcock Ranch Community"). See "THE DEVELOPMENT" for more information.

### Legal Powers and Authority

The District is an independent unit of local government created pursuant to, and established in accordance with, the Act. The Act authorizes the planning, constructing, maintaining, operating, financing and improving the provision of systems, facilities and services necessary to meet the infrastructure needs of the Babcock Ranch Community. The Act provides legal authority for the District to issue bonds pursuant to its general powers. The District is classified as an independent district under Chapter 189, Florida Statutes.

The Act gives the District's Governing Board the authority to, among other things: (i) plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, finance, fund and maintain improvements, systems, facilities, services, works, projects and infrastructure, including without limitation any obligations pursuant to a development order, and further including without limitation: (a) water management and control for lands within the District and connection any of such facilities with roads and bridges; (b) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof, irrigation systems, and construction and operation of 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 disposal of any effluent, residue, or other byproducts of such system or sewer system; (c) transportation and transportation-related improvements, equal to or exceeding the specifications of the county in which such improvements are located, including without limitation highways, streets, roads, alleys, trails, pathways, sidewalks, parkways, bicycle lanes, jogging paths, interchanges, bridges, thoroughfares of all kinds, landscaping and hardscaping, irrigation, storm drains, street lighting, traffic signals, signage, parking facilities and undergrounding of cable, fiber or wire lines; (d) parks and facilities for indoor and outdoor recreational, cultural, educational and library uses; (v) fire prevention and control; (e) emergency medical and rescue response services; (f) school buildings and related structures for use in the educational system when authorized by the affected school board; and (g) any facilities or improvements that may otherwise be provided for by any county or municipality, including but not limited to libraries, annexes, substations and other buildings to house public officials, staff and employees; (ii) borrow money and issue bonds of the District; (iii) determine, order, levy, impose, collect and enforce assessments pursuant to the Act and the general laws of the State; and (iv) exercise all of the

powers necessary, convenient, incidental or proper in connection with any of the powers authorized in the Act.

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

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

### **Governing Board**

The governing body of the District is its Governing Board (the "Board"), which is composed of five voting members (the "Members"). The Act provides that, at the initial meeting of the landowners, the landowners would elect the Members, with the two Members receiving the highest number of votes being elected to serve terms expiring November 30, 2010 and the remaining Members being elected to serve terms expiring November 30, 2008. Thereafter, elections are to be held every two years in November, with Members elected in or after November 2008 serving four-year terms. The Act provides for the transition of the Board to control by qualified electors, beginning with the first general election following a trigger of the qualified elector population thresholds in the Act, as follows: (i) once 4,600 qualified electors reside in the District, one Member shall be elected by the qualified electors and four Members shall be elected by the landowners; (ii) once 8,900 qualified electors reside in the District, two Members shall be elected by the qualified electors and three Members shall be elected by the landowners; (iii) once 22,000 qualified electors reside in the District, three Members shall be elected by the qualified electors and two Members shall be elected by the landowners; (iv) once 24,000 qualified electors reside in the District, four Members shall be elected by the qualified electors and one Member shall be elected by the landowners; and (v) once 25,000 qualified electors reside in the District, all Members shall be elected by the qualified electors. The Board may not exercise its ad valorem taxing power until such time as all members of the Board are elected by qualified electors. At elections in which landowners are electing Members, each landowner shall be entitled to cast one vote per acre of land owned within the District for each person to be elected, with fractions of an acre being treated as one acre. A "qualified elector" under the Act is any person at least 18 years of age or older, who is a citizen of the United States, a legal resident of the State and the District, and who registers to vote with the Supervisor of Elections in Charlotte or Lee County and resides in either Charlotte or Lee County. The Board must determine the number of qualified electors in the District on or before June 1 of each year, as of the immediately preceding April 15, and the determination must be made at a properly noticed meeting of the Board. If there is a vacancy on the Board, the remaining Board members are to fill such vacancy by appointment for the unexpired term.

The Act provides that it shall not be a conflict of interest under Florida law governing public officials for a Member to be a stockholder, officer or employee of a landowner.

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

<b>Name</b>	<b>Title</b>	<b>Term Expires</b>
Bill Vander May*	Chairperson	November 2026
Bill Moore*	Vice-Chairperson	November 2024**
Christine Barker*	Assistant Secretary	November 2026
Melvin Jordan*	Assistant Secretary	November 2024**
Laura Keller*	Assistant Secretary	November 2024**

\* Employee of, or affiliated with, the Developer.

\*\* Seats with terms expiring in November 2024 are expected to be filled during the landowners' election on November 5, 2024. The Board has not yet transitioned to control by qualified electors.

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

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

The chief administrative official of the District is the District Manager (as defined herein). The Act provides that a district manager has charge and supervision of the works of the District and is responsible for preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board. The District has retained Wrathell, Hunt and Associates, LLC, Boca Raton, Florida, to serve as its district manager ("District Manager"). The District Manager's office is located at 2300 Glades Road, Suite #410W, Boca Raton, Florida, 33431.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Greenberg Traurig, P.A., Orlando, Florida, as Bond Counsel; the Consulting Engineer; and Kutak Rock LLP, Tallahassee, Florida, as District Counsel. The Board has also retained the District Manager to serve as Methodology Consultant and to prepare the Assessment Methodology for the Series 2024 Bonds. The Board also intends to retain Wrathell, Hunt and Associates, LLC, as Dissemination Agent for the Series 2024 Bonds. See "EXPERTS" and "CONTINUING DISCLOSURE" herein.

### **Outstanding Bond Indebtedness**

#### **Prior Bonds**

The District has previously issued its \$19,955,000 Special Assessment Revenue Bonds, Series 2015 (the "Assessment Area 1 Bonds"), of which \$17,290,000 was outstanding as of September 24, 2024. The Assessment Area 1 Bonds are secured by special assessments levied on the District Lands within the first phase of development ("Assessment Area 1"), which are separate

and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$2,075,000 Special Assessment Revenue Bonds, Series 2018 (the "Assessment Area 2A Bonds"), of which \$1,895,000 was outstanding as of September 24, 2024. The Assessment Area 2A Bonds are secured by special assessments levied on the District Lands within Phase 2A of the Development ("Assessment Area 2A"), which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$3,740,000 Special Assessment Revenue Bonds, Series 2018 (the "Assessment Area 2B Bonds"), of which \$3,480,000 was outstanding as of September 24, 2024. The Assessment Area 2B Bonds are secured by special assessments levied on the District Lands within Phase 2B of the Development ("Assessment Area 2B"), which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$12,025,000 Special Assessment Revenue Bonds, Series 2018 (the "Assessment Area 3A Master Infrastructure Bonds"), of which \$11,640,000 was outstanding as of September 24, 2024. The Assessment Area 3A Master Infrastructure Bonds are secured by special assessments levied on District Lands within Phase 3A of the Development ("Assessment Area 3A"), which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$3,220,000 Special Assessment Revenue Bonds, Series 2018 (the "Assessment Area 4 Bonds"), of which \$2,960,000 was outstanding as of September 24, 2024. The Assessment Area 4 Bonds are secured by special assessments levied on the District Lands within Phase 4 of the Development ("Assessment Area 4"), which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$5,145,000 Special Assessment Revenue Bonds, Series 2020 (the "Assessment Area 2C Bonds"), of which \$4,840,000 was outstanding as of September 24, 2024. The Assessment Area 2C Bonds are secured by special assessments levied on the District Lands within Phase 2C of the Development ("Assessment Area 2C"), which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$8,545,000 Special Assessment Revenue Bonds, Series 2020 (the "Assessment Area 3A Neighborhood Infrastructure Bonds"), of which \$7,880,000 was outstanding as of September 24, 2024. The Assessment Area 3A Neighborhood Infrastructure Bonds are secured by special assessments levied on the District Lands within Assessment Area 3A, which as noted above are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$2,545,000 Special Assessment Revenue Bonds, Series 2020 (the "Assessment Area 3B Bonds"), of which \$2,395,000 was outstanding as of

September 24, 2024. The Assessment Area 3B Bonds are secured by special assessments levied on the District Lands within Phase 3B of the Development, which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$21,870,000 Special Assessment Revenue Bonds, Series 2021 (Series 2021 Project) (the "Series 2021 Bonds"), of which \$20,960,000 was outstanding as of September 24, 2024. The Series 2021 Bonds are secured by special assessments levied on the District lands within Phase 2D, Phase 3C, Phase 3D, Phase 3E and Phase 5 of the Development, which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds.

The District has also previously issued its \$80,515,000 Special Assessment Revenue Bonds, Series 2022 (Series 2022 Project) (the "Series 2022 Bonds"), of which \$79,255,000 was outstanding as of September 24, 2024. The Series 2022 Bonds are secured by special assessments levied on the District lands within the Series 2022 Assessment Area, which are separate and distinct from the lands that will be subject to the Series 2024 Special Assessments securing the Series 2024 Bonds, other than that portion of the Series 2022 Special Assessments levied on the DiVosta Parcel. Specifically, the Series 2022 Special Assessments allocated to the DiVosta Parcel were initially assigned to all 426.1 acres within the DiVosta Parcel and are being assigned to the first 500 lots therein on a first platted, first assigned basis. As of October 2024, 234 lots have been platted within Phase 1 of the DiVosta Parcel. The Series 2022 Special Assessments will be fully assigned to platted lots (which are expected but not guaranteed to be within Phase 1) prior to the assignment of Series 2024 Special Assessments to platted lots within Phase 2 of the DiVosta Parcel. See "THE DEVELOPMENT – Builder Contracts and Builders – DiVosta Parcel Phase 2 (Pulte)" herein for more information regarding the DiVosta Parcel.

The Assessment Area 1 Bonds, the Assessment Area 2A Bonds, the Assessment Area 2B Bonds, the Assessment Area 3A Master Infrastructure Bonds, the Assessment Area 4 Bonds, the Assessment Area 2C Bonds, the Assessment Area 3A Neighborhood Infrastructure Bonds, the Assessment Area 3B Bonds, the Series 2021 Bonds, and the Series 2022 Bonds are collectively referred to herein as the "Prior Bonds." For more information regarding the status of the District Lands subject to assessments securing the Prior Bonds, see "THE DEVELOPMENT – Update to Prior Phases" herein.

### **SIB Loan**

In addition to the Prior Bonds, the District is financing a portion of the total costs of certain roadway improvements (the "S.R. 31 Roadway Improvements" as further described herein under "THE DEVELOPMENT – Development Approvals and Permits") with proceeds from a Florida State Infrastructure Bank Loan (the "SIB Loan") in the amount of approximately \$31.35 million. The SIB Loan is being repaid from a combination of sources including (i) special assessments collected from property within the District that has not yet paid Developer Transportation Fees to the Developer (the "SIB Loan Special Assessments"), (ii) Developer contributions in lieu of special assessments and (iii) Developer Transportation Fees paid to the Developer and provided to the District pursuant to an agreement between the Developer and the District. See "ASSESSMENT

METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS – Other Taxes, Fees and Assessments" herein for more information regarding the SIB Loan Special Assessments.

The land within the Charlotte County portion of the Series 2024 Assessment Area is subject to the SIB Loan Special Assessments. The District expects that the portion of the SIB Loan associated with such Parcels will be paid from Developer Transportation Fees at the time such land is developed and sold to Builders and not from the SIB Loan Special Assessments levied on the land within the Series 2024 Assessment Area. See "THE DEVELOPMENT – Builder Contracts and Builders" herein for more information. Unless and until such payment is made, however, the SIB Loan Special Assessments will constitute a lien on the land within the Series 2024 Assessment Area (other than the Lee County parcels) of equal dignity with the Series 2024 Special Assessments.

### **THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2024 PROJECT**

The "Engineer's Report for Phase VII – Project Area: Charlotte County - Midtown – Parcel 1,2,3, and 4; Charlotte County – Webbs Reserve; Lee County – Lee County Parcels 1 and 2; Supplement to Phase VI Project Area (Lee County – DiVosta Parcel – Phase 2; and Charlotte County – Tuckers Cove (Phase 1C & 1D)" dated May 2024, amended October 2024 (the "Engineer's Report"), prepared by Kimley-Horn and Associates, Inc. (the "District Engineer"), sets forth certain public master infrastructure improvements (the "Series 2024 Project"), which support a portion of the development associated with approximately 2,473 lots across nine parcels (collectively, the "Series 2024 Assessment Area"), which consist more particularly of the following:

- Lee County Parcel 1 – 124.92 gross acres planned for 249 residential units;
- Lee County Parcel 2 – 175.77 gross acres planned for 124 residential units;
- MidTown Parcel 1 – 58.0 gross acres planned for 220 residential units;
- MidTown Parcel 2 – 58.55 gross acres planned for 231 residential units;
- MidTown Parcel 3 – 32.89 gross acres planned for 146 residential units;
- MidTown Parcel 4 – 30.62 gross acres planned for 222 residential units;
- Tuckers Cove Phase 1C & 1D Parcel – 107.0 gross acres planned for 383 residential units;
- Webbs Reserve – Phase 1 – 149.85 gross acres planned for 398 residential units; and
- DiVosta Parcel – Phase 2 – 184.25 gross acres planned for 500 residential units.

[Remainder of page intentionally left blank.]



The Series 2024 Project consists primarily of master infrastructure improvements that benefit the Series 2024 Assessment Area. The District Engineer estimates the total approximate cost of the Series 2024 Project to be \$62,064,542, as more particularly described below.

Item	Lee County Parcel 1	Lee County Parcel 2	MidTown Parcel 1	MidTown Parcel 2	MidTown Parcel 3	MidTown Parcel 4	Tuckers Cove (Phase 1C & 1D)	Webbs Reserve (Phase 1)	DiVosta (Phase 2)	Total Estimated Cost Series 2024 Project
Clearing, Grubbing, Earthwork	\$4,189,000	\$6,526,000	\$2,862,000	\$2,305,000	\$ 949,000	\$1,588,000	\$3,582,000	\$3,883,636	\$ 413,000	\$26,297,636
Entry Features Wayfinding	81,000	81,000	81,000	81,000	81,000	81,000	81,000	26,820	--	593,820
Mitigation	--	--	--	--	--	--	--	--	1,036,000	1,036,000
Offsite Improvements	241,000	120,000	212,000	223,000	141,000	214,000	570,000	584,424	3,600,000	5,905,424
Master Storm	1,133,000	564,000	1,001,000	1,050,000	664,000	1,010,000	1,631,000	1,692,465	2,681,000	11,426,465
Landscaping	312,000	155,000	276,000	290,000	184,000	279,000	581,000	599,321	7,526,000	10,202,321
Design and Permitting	<u>672,000</u>	<u>334,000</u>	<u>594,000</u>	<u>623,000</u>	<u>394,000</u>	<u>599,000</u>	<u>1,144,000</u>	<u>1,191,876</u>	<u>1,051,000</u>	<u>6,602,876</u>
<b>GRAND TOTAL</b>	<b>\$6,628,000</b>	<b>\$7,780,000</b>	<b>\$5,026,000</b>	<b>\$4,572,000</b>	<b>\$2,413,000</b>	<b>\$3,771,000</b>	<b>\$7,589,000</b>	<b>\$7,978,542</b>	<b>\$16,307,000</b>	<b>\$62,064,542</b>

[Remainder of page intentionally left blank.]

Net proceeds of the Series 2024 Bonds in the amount of approximately \$48.37 million\* will be available to be used by the District for the funding and/or acquisition of portions of the Series 2024 Project. See "THE DEVELOPMENT – Development Finance Plan" herein. The Developer and Lennar Homes will each enter into a completion agreement that will obligate the Developer and Lennar Homes to complete their respective portions of the Series 2024 Project not funded with proceeds of the Series 2024 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

All master infrastructure work necessary for the Builders to close on their respective parcels will be completed at the time of the delivery of the lots set forth herein, with remaining master infrastructure being completed thereafter. The Builders are expected to install parcel-specific infrastructure for their respective parcels, aside from Lee County Parcel 2 which will be sold as developed lots once parcel-specific infrastructure has been installed by the Developer. See "THE DEVELOPMENT – Development Plan and Status" herein for more information regarding the timing for development of the respective Phases within the Series 2024 Assessment Area.

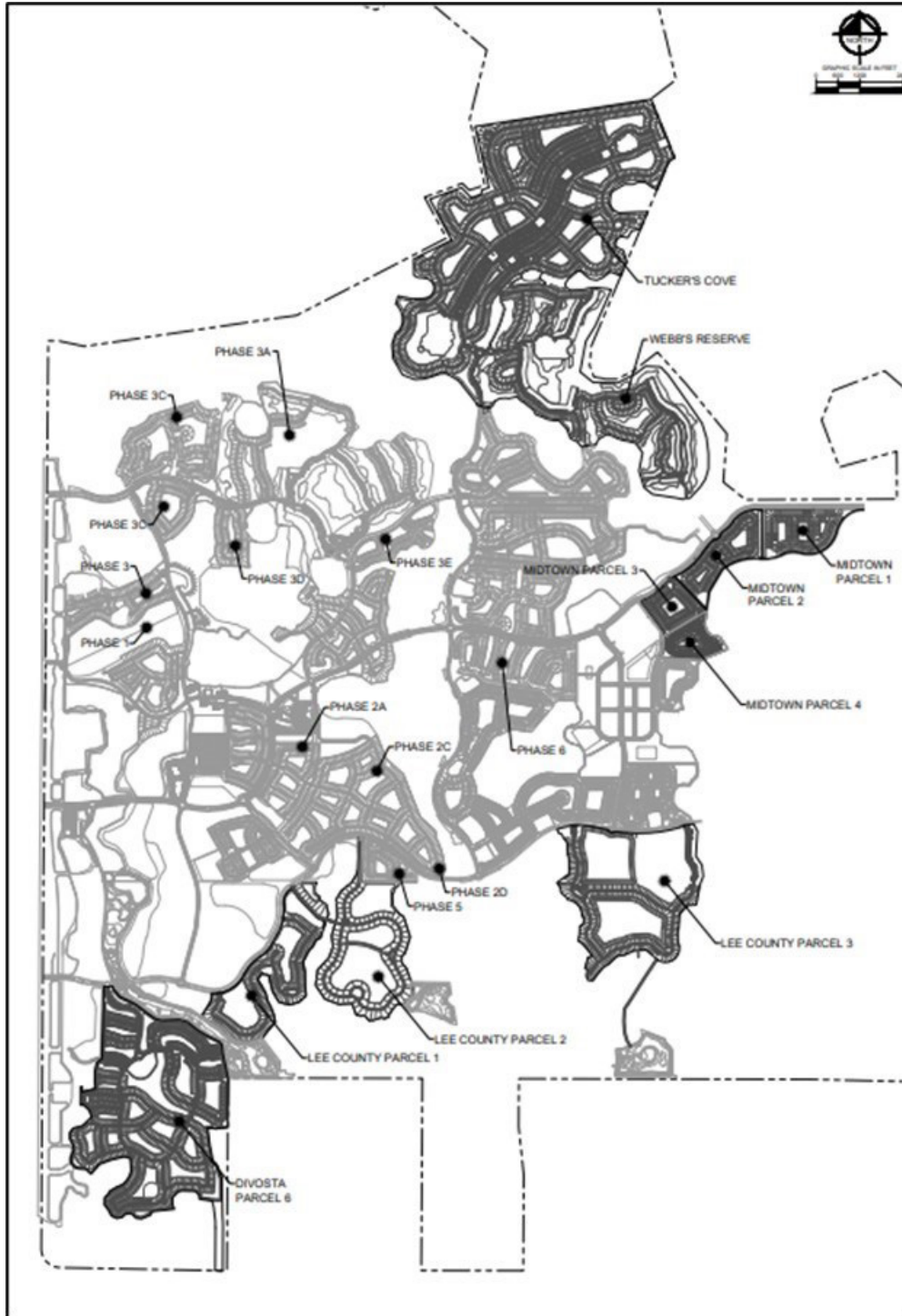
The District Engineer has indicated that all engineering permits necessary to construct the Series 2024 Project and develop the Series 2024 Assessment Area are anticipated to be received in due course. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the Series 2024 Assessment Area. See "APPENDIX C: ENGINEER'S REPORT" for more information regarding the above improvements.

[Remainder of page intentionally left blank.]

---

\* Preliminary, subject to change.

Set forth below is a sketch showing the relative location of the Phases within the Series 2024 Assessment Area.



## ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS

### General

The Babcock Ranch Community Independent Special District Amended Master Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tuckers Cove, former Trabue, and DiVosta Parcels dated May 29, 2024, as amended September 26, 2024 (the "Master Assessment Methodology"), as amended and supplemented by the Supplemental Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tuckers Cove, former Trabue, and DiVosta Parcel dated October 31, 2024 (the "Supplemental Assessment Methodology" and, together with the Master Assessment Methodology, the "Assessment Methodology"), which describes the methodology for the allocation of the Series 2024 Special Assessments to lands within Series 2024 Assessment Area, which has been prepared by Wrathell, Hunt and Associates, LLC, Boca Raton, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Assessment Methodology is included as APPENDIX D attached hereto. Once the final terms of the Series 2024 Bonds are determined, the Supplemental Assessment Methodology will be further supplemented to reflect such final terms. Once levied and imposed, each of the Series 2024 Special Assessments are a first lien on the assessable land in the Series 2024 Assessment Area until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

### Series 2024 Special Assessments

The Series 2024 Bonds are payable from and secured solely by the Series 2024 Trust Estate, which consists solely of the Series 2024 Pledged Revenues and the Series 2024 Pledged Funds. The Series 2024 Pledged Revenues consist of the revenues derived from the Series 2024 Special Assessments levied on the lands within the Series 2024 Assessment Area.

Initially, the Series 2024 Assessment Area will contain approximately 921.85 acres, planned for a total of 2,473 residential units, and consists of the following nine parcels (each with a separate levy): (i) Lee County Parcel 1 is comprised of approximately 124.92 gross acres planned for 249 residential units, (ii) Lee County Parcel 2 comprised of approximately 175.77 gross acres planned for 124 residential units, (iii) MidTown Parcel 1 is comprised of approximately 58.0 gross acres planned for 220 residential units, (iv) MidTown Parcel 2 is comprised of approximately 58.55 gross acres planned for 231 residential units, (v) MidTown Parcel 3 is comprised of approximately 32.89 gross acres planned for 146 residential units, (vi) MidTown Parcel 4 is comprised of approximately 30.62 gross acres planned for 222 residential units, (vii) Tuckers Cove (Phase 1C & 1D) is comprised of approximately 107.0 gross acres that have been platted to contain 383 residential units, (viii) Webbs Reserve Phase 1 is comprised of approximately 149.85 gross acres that have been partially platted and are planned for 398 residential units and (ix) DiVosta Parcel Phase 2 is comprised of approximately 184.25 gross acres planned for 500 residential units. The Series 2024 Special Assessments will be allocated to each Phase in the Series 2024 Assessment Area based on the development plan associated with such Phase, as the land within each Phase is anticipated to be sold in bulk prior to platting. Within each Phase, the Series 2024 Special Assessments will be levied initially on the gross acres within such Phase, in accordance

with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" attached hereto.

The following table summarizes the initial estimated allocation of debt by phase.

<b>Parcel</b>	<b>County</b>	<b>Lots Planned</b>	<b>Acres</b>	<b>Par*</b>
Lee County Parcel 1	Lee	249	124.92	\$6,994,054.00
Lee County Parcel 2	Lee	124	175.77	\$8,194,487.99
MidTown Parcel 1	Charlotte	220	58.00	\$5,091,671.31
MidTown Parcel 2	Charlotte	231	58.55	\$4,700,004.29
MidTown Parcel 3	Charlotte	146	32.89	\$2,822,037.21
MidTown Parcel 4	Charlotte	222	30.62	\$3,387,665.43
Tuckers Cove 1C & 1D	Charlotte	383	107.00	\$6,199,820.13
Webbs Reserve Ph 1	Charlotte	398	149.85	\$7,801,919.92
DiVosta Parcel Ph 2	Lee	500	184.25	\$9,063,339.74
		<b>2,473</b>	<b>921.85</b>	<b>\$54,255,000.00</b>

\* Preliminary, subject to change. Totals may not add due to rounding.

As each Phase in the Series 2024 Assessment Area is platted, the Series 2024 Special Assessments will be assigned to the platted lots within such Phase on a first platted, first assigned basis. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for more information. Assuming that all of the planned 2,473 residential units are developed and platted, the estimated Series 2024 Special Assessments levied and allocated to platted units to pay debt service on the Series 2024 Bonds and the estimated Series 2024 Bond par per unit are expected to be as follows:

[Remainder of page intentionally left blank.]

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Series 2024 Special Assessments Per Unit*</b>	<b>Series 2024 Bonds Par Debt Per Unit*</b>
<b>Lee County Parcel 1</b>			
50'	119	\$25,433	\$1,750
60'	130	\$30,520	\$2,100
<b>Lee County Parcel 2</b>			
120'	83	\$61,039	\$4,200
150'	41	\$76,299	\$5,250
<b>MidTown Parcel 1</b>			
40'	99	\$20,346	\$1,400
50'	121	\$25,433	\$1,750
<b>MidTown Parcel 2</b>			
40'	231	\$20,346	\$1,400
<b>MidTown Parcel 3</b>			
38'	146	\$19,329	\$1,330
<b>MidTown Parcel 4</b>			
30'	222	\$15,260	\$1,050
<b>Tuckers Cove 1C &amp; 1D</b>			
20'	106	\$11,626	\$800
52'	230	\$17,440	\$1,200
62'	47	\$20,346	\$1,400
<b>Webbs Reserve Phase 1</b>			
52'	117	\$25,738	\$1,771
70'	57	\$28,703	\$1,975
30-Unit	60	\$14,083	\$969
16-Unit	112	\$14,083	\$969
12-Unit	12	\$14,083	\$969
Coach	40	\$14,083	\$969
<b>DiVosta Parcel Phase 2**</b>			
34'	96	\$11,943	\$822
50'	237	\$17,563	\$1,209
64'	167	\$22,481	\$1,547
<b>Total:</b>	<b>2,473</b>		

\* Preliminary, subject to change. When collected via the Uniform Method, annual assessment levels will be subject to a gross up to include early payment discounts and County collection fees.

\*\* The Series 2022 Special Assessments securing the Series 2022 Bonds were initially assigned to all 426.1 acres within the DiVosta Parcel, including the land within Phase 2, and are being assigned at platting to the first 500 lots therein on a first platted, first assigned basis. As of October 2024, Series 2022 Special Assessments have been assigned to 234 platted lots within Phase 1. The Series 2022 Special Assessments will be fully assigned prior to the assignment of Series 2024 Special Assessments to platted lots within Phase 2 of the DiVosta Parcel.

## Other Taxes, Fees and Assessments

The District anticipates imposing operations and maintenance assessments of approximately \$589 per unit per year, which is subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2024 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, Charlotte County and Lee County and the School Districts of Charlotte County, Florida, and Lee County, Florida, as applicable, may each levy ad valorem taxes upon the land in the Series 2024 Assessment Area up to 10 mills each. The total millage rate applicable to property located within the Charlotte Development in tax year 2024 is approximately 14.9803 mills. The total millage rate applicable to property located within the Lee Development in tax year 2024 is approximately 14.403 mills. 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. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

The District also levies the SIB Loan Special Assessments to secure the SIB Loan in the amount of approximately \$31,348,036. The SIB Loan Special Assessments are levied on certain within land within the District that has not yet paid Developer Transportation Fees, including undeveloped land planned for approximately 13,814 residential units and certain non-residential land. For more information regarding the SIB Loan, see "THE DISTRICT – Outstanding Indebtedness – SIB Loan" herein for more information.

The amount of the SIB Loan Special Assessments levied on land planned for development as residential units is estimated to be as follows:

<b>Annual SIB Loan Special Assessments Per Unit</b>	<b>SIB Loan Special Assessment Par Per Unit</b>
\$163.06	\$1,919.40

The portions of the land within the Series 2024 Assessment Area located in Charlotte County are subject to the SIB Loan Special Assessments. The District expects that the portion of the SIB Loan associated with such Parcels will be paid from Developer Transportation Fees at the time such land is developed and sold to Builders or prior to Builders' sale to end users, as applicable, and not from the SIB Loan Special Assessments levied on the land within the Series 2024 Assessment Area. See "THE DEVELOPMENT – Builder Contracts and Builders" herein for more information. Unless and until such payment is made, however, the SIB Loan Special Assessments will constitute a lien on the land within the Series 2024 Assessment Area on which they are levied of equal dignity with the Series 2024 Special Assessments.

[Remainder of page intentionally left blank.]

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

## **THE DEVELOPMENT**

### **General**

The District contains the master-planned development known as Babcock Ranch. The aggregate 17,787 acres of land in Babcock Ranch are located in both Charlotte and Lee Counties and are approved for approximately 19,500 residential units and 6,000,000 square feet of commercial space. The portion of the District Lands within Charlotte County is referred to herein as the "Charlotte Development." The Charlotte Development contains approximately 13,630 acres and is governed by the Master DRI (as defined herein). Under the Master DRI, the Charlotte Development is authorized for 17,870 residential units and 5,910,000 square feet of retail, office and industrial space, as well as 600 hotel rooms, 177 hospital beds, 418 assisted living units, 54 golf holes and ancillary facilities such as educational and research facilities, libraries, places of worship, parks, and utility infrastructure. The portion of the District Lands within Lee County is referred to herein as the "Lee Development." The Charlotte Development and the Lee Development are collectively referred to herein as the "Development." The Lee Development contains approximately 4,157 acres and is authorized for 1,630 residential units, 600 hotel rooms and 1,170,000 square feet of commercial office and retail uses. When combined with the commercial development in the Charlotte Development, commercial development within the Lee Development may not exceed the total commercial use approved in the Master DRI (4,830,000 square feet, as may be modified by the Master DRI's adopted conversion matrix).

The Development is being developed as an eco-centric new town: embedded in nature that is energy conscious and technologically advanced. The community is host to solar energy via two 74.5-Megawatt facilities built and operated by Florida Power & Light ("FP&L") and will be a master-planned "smart city" with an emphasis on the environment, health and wellness, education, energy, technology, transportation and storm safety. Water, wastewater and sewer services will be provided by Babcock Ranch Water Utilities, a department of the District, through an agreement with MSKP Town and Country Utility, LLC and Babcock Ranch Irrigation, LLC, affiliates of the Developer. See " – Utilities and the Utility System" below for more information. The Development is surrounded by a 73,000-acre permanent nature preserve and, at buildout, will contain approximately 9,000 acres of natural greenways, parks and lakes, as well as over 50 miles of trails.

Due to the lack of available land in Naples and Ft. Myers, the Development has experienced strong demand from both homebuilders and homebuyers. As of August 31, 2024, 4,218 homes have been sold in the Development, with 934 sales in 2022, 957 sales in 2023, and 569 sales through August 31, 2024. Currently, there are 18 total homebuilders in the Development (5 public



homebuilders), including the Builders currently within the Series 2024 Assessment Area. See "– Builder Contracts and Builders" herein. As of October 2024, the Developer has spent approximately \$61 million toward land development at Babcock Ranch and over \$500 million in total acquisition and development costs.

Separate assessment areas have been created to facilitate the District's development and financing plan. The District previously issued its Prior Bonds to finance infrastructure associated with Assessment Areas 1, 2A, 2B, 2C, 3A, 3B, 4, the Series 2021 Assessment Area and the Series 2022 Assessment Area. See "THE DISTRICT – Outstanding Indebtedness" herein and "– Update on Prior Phases" below.

The Series 2024 Bonds are being issued to finance the Series 2024 Project, which consists of a portion of the District's public master infrastructure improvements. The Series 2024 Special Assessments will initially be levied on approximately 921.85 gross acres of District Land, which are planned for a total of 2,473 lots across nine parcels (collectively, the "Series 2024 Assessment Area"). See "THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2024 PROJECT" herein and the chart below for more information regarding each parcel within the Series 2024 Assessment Area.

As set forth in the Assessment Methodology, the Series 2024 Special Assessments securing the Series 2024 Bonds will be initially levied on the gross acres each individual phase in accordance with the development plans relating thereto until such time the lots are platted. Upon platting of the Series 2024 Assessment Area, the Series 2024 Special Assessments are expected to be assigned to such 2,743 planned units. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein.

Babcock Property Holdings, L.L.C., a Delaware limited liability company (the "Developer"), is the master developer of the Development and of the Series 2024 Assessment Area. The Developer will install the master infrastructure and sell undeveloped parcels with utilities and roadways serving the parcels to the Builders (as defined herein) for all of the parcels within the Series 2024 Assessment Area, aside from Lee County Parcel 2. To date, the land in Tuckers Cove (Phase 1C & 1D) and Webbs Reserve Phase 1 has closed with Lennar Homes. See " – Builder Contracts and Builders" herein for more information regarding the Builders and the status of the various Builder Contracts. With regard to Lee County Parcel 2, the Developer will install both master and parcel specific infrastructure improvements and is in active discussion with several builders to purchase finished lots.

[Remainder of page intentionally left blank.]

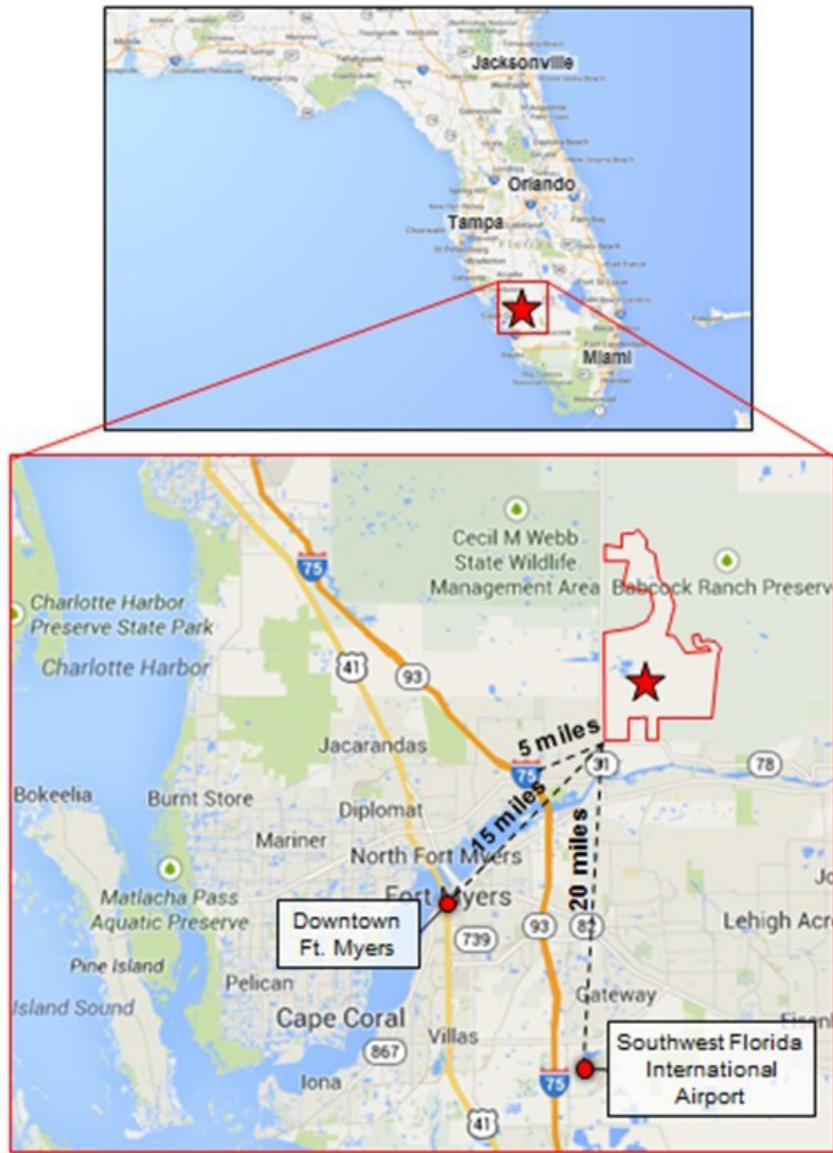
The chart below summarizes the Series 2024 Assessment Area composition and the builder contracted for each Phase.

<b>Parcel</b>	<b>Lee 1</b>	<b>Lee 2</b>	<b>MidTown 1</b>	<b>MidTown 2</b>	<b>MidTown 3</b>	<b>MidTown 4</b>	<b>Tuckers 1C/D</b>	<b>Webbs 1</b>	<b>DiVosta 2</b>	<b>Total</b>
Acreage	124.92	175.77	58.00	58.55	32.89	30.62	107.00	149.85	184.25	<b>921.85</b>
<b>Builder</b>	<b>Toll*</b>	<b>Multiple</b>	<b>Lennar</b>	<b>Hometown</b>	<b>TBD</b>	<b>TBD</b>	<b>Lennar</b>	<b>Lennar</b>	<b>Pulte</b>	
Condos	0	0	0	0	0	0	0	184	0	<b>184</b>
Townhomes	0	0	0	0	0	0	106	0	0	<b>106</b>
Coach	0	0	0	0	0	0	0	40	0	<b>40</b>
SF 30'	0	0	0	0	0	222	0	0	0	<b>222</b>
SF 34'	0	0	0	0	0	0	0	0	96	<b>96</b>
SF 38'	0	0	0	0	146	0	0	0	0	<b>146</b>
SF 40'	0	0	99	231	0	0	0	0	0	<b>330</b>
SF 50'	119	0	121	0	0	0	0	0	237	<b>477</b>
SF 52'	0	0	0	0	0	0	230	117	0	<b>347</b>
SF 55'	0	0	0	0	0	0	0	0	0	<b>100</b>
SF 60'	130	0	0	0	0	0	0	0	0	<b>130</b>
SF 62'	0	0	0	0	0	0	47	0	0	<b>47</b>
SF 64'	0	0	0	0	0	0	0	0	167	<b>167</b>
SF 65'	0	0	0	0	0	0	0	0	0	<b>129</b>
SF 70'	0	0	0	0	0	0	0	57	0	<b>57</b>
SF 75'	0	0	0	0	0	0	0	0	0	<b>46</b>
SF 120'	0	83	0	0	0	0	0	0	0	<b>83</b>
SF 150'	<u>0</u>	<u>41</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<b><u>41</u></b>
<b>Total Units</b>	<b>249</b>	<b>124</b>	<b>220</b>	<b>231</b>	<b>146</b>	<b>222</b>	<b>383</b>	<b>398</b>	<b>500</b>	<b>2,473</b>

\* The Builder Contract with Toll is still within the inspection period, which is currently expected to expire on November 15, 2024. There is no assurance that Toll will not terminate or seek to modify its contract prior to expiration of the inspection period or, alternately, seek to extend the inspection period prior to the issuance of the Series 2024 Bonds. In the event the contract is terminated, the Developer will commence negotiations with other builders. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein and "–Builder Contracts and Builders" below for more information.

[Remainder of page intentionally left blank.]

The maps below depict the location of the Development.



[Remainder of page intentionally left blank.]



727.520.8181  
www.aerophoto.com

### Babcock Ranch

Image # 34  
Date 08.27.24

Babcock Ranch – Southwardly View of Tuckers Cove, Webbs Reserve and other MidTown  
Parcels

[Remainder of page intentionally left blank.]



727.520.8181  
www.aerophoto.com

### Babcock Ranch

Image # 40  
Date 08.27.24

Babcock Ranch North View of MidTown parcels

[Remainder of page intentionally left blank.]



727.520.8181  
www.aerophoto.com

### Babcock Ranch

Image # 12  
Date 08.27.24

Babcock Ranch South View of WestTown parcels

[Remainder of page intentionally left blank.]

## Update on Prior Phases

The table below summarizes the Assessments levied on and the status of development within the prior phases of the Development as of August 31, 2024.

	Assessment Area													Total
	1	2A	2B	3A	4	2C	3B	2D	3C	3D	3E	5	2022	
Bond Series	2015	2018	2018	2018/2020	2018	2020	2020	2021	2021	2021	2021	2021	2022	--
Lots Planned	1,099	176	243	1,072	166	190	101	194	322	96	154	103	3,456	7,370
Lots Developed	1,099	176	243	1,072	166	190	101	194	322	96	154	103	3,438	7,354
Lots Closed with Builders	953	176	243	1,072	166	190	101	194	322	96	154	103	3,428	7,198
Homes Closed with End-Users	686	176	243	1,061	162	190	100	194	195	34	153	103	334	3,631

## Development Finance Plan

The Series 2024 Project consists of master infrastructure improvements that benefit the Series 2024 Assessment Area. The Developer expects the total land development costs associated with the Series 2024 Project to be approximately \$62,064,542. Net proceeds of the Series 2024 Bonds in the amount of approximately \$48.37 million\* will be available to the District for the funding and/or acquisition of portions of the Series 2024 Project. Costs of the Series 2024 Project not funded by net proceeds of the Series 2024 Bonds will be funded by the Developer and Lennar Homes, as applicable, from equity and land sale proceeds. The Developer and, with respect to Tuckers Cove and Webbs Reserve only, Lennar Homes will each enter into a completion agreement that will obligate the Developer and Lennar Homes to complete their respective portions of the Series 2024 Project not funded with proceeds of the Series 2024 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" and "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

All master infrastructure work necessary for the Builders to close on their respective parcels is complete or will be completed at the time of the delivery of the lots set forth herein, with remaining master infrastructure being completed thereafter. As of October 2024, the Developer has spent approximately \$61 million toward land development on the master infrastructure work necessary to deliver the land to the Builders within the Series 2024 Assessment Area. In total, as of October 2024, the Developer had spent over \$500 million at Babcock Ranch in acquisition and development costs.

In addition to the Series 2024 Project, the Developer estimates that the cost of onsite infrastructure installation within the Series 2024 Assessment Area will range in cost from \$39,000 per lot to \$50,000 per lot. The cost of onsite infrastructure (other than the cost of those master stormwater improvements within Webbs Reserve Phase 1 and Tuckers Cove 1C & 1D, which are included in the Series 2024 Project) is not being funded by the Series 2024 Bonds. The Developer will install the onsite infrastructure for Lee County Parcel 2 and will sell developed lots therein to multiple homebuilders. With regard to the remaining Parcels within the Series 2024 Assessment

---

\* Preliminary, subject to change.

Area, the Developer will sell such Parcels within the Series 2024 Assessment Area as undeveloped tracts to various homebuilders, who will install the onsite infrastructure thereon. See "– Development Plan and Status" and "–Builder Contracts and Builders" herein for more information.

### **Development Plan and Status**

All master infrastructure work necessary for the Builders to close on their parcels is complete or will be completed at the time of the delivery of the lots, as set forth below, with remaining master infrastructure being completed thereafter. The Builders are expected to install parcel-specific infrastructure for their respective parcels, aside from Lee County Parcel 2 which will have parcel-specific infrastructure improvements installed by the Developer. The development plan and status of the individual parcels within the Series 2024 Assessment Area are set forth below:

**Lee County Parcel 1** – Lee County Parcel 1, planned for 249 lots, is expected to be delivered in the fourth quarter of 2024 or the first quarter of 2025 to Toll or another builder(s) in the event Toll does not acquire Lee County Parcel 1. The onsite land development of Lee County Parcel 1 is expected to commence in the fourth quarter of 2024 or the first quarter of 2025 and will be phased, with the initial deliveries to homebuyers expected to commence in the second quarter of 2026. See " – Builder Contracts and Builders" below.

**Lee County Parcel 2** – The land in Lee County Parcel 2, planned for 124 lots, is in active discussions with several builders to deliver finished lots upon development completion. The Developer will install parcel specific infrastructure improvements associated with Lee County Parcel 2, with expected commencement in the first quarter of 2025. Initial deliveries to homebuyers are expected to commence in the fourth quarter of 2026. See " – Builder Contracts and Builders" below.

**MidTown Parcel 1** – The land in MidTown Parcel 1, planned for 220 lots, is expected to be delivered to Lennar in the fourth quarter of 2024. The onsite land development of MidTown Parcel 1 is expected to commence in the first quarter of 2025 and will be phased, with initial deliveries to homebuyers expected to commence in the first quarter of 2026. See " – Builder Contracts and Builders" below.

**MidTown Parcel 2** – The land in MidTown Parcel 2, planned for 231 lots, is expected to be delivered to Hometown America in the fourth quarter of 2024. The onsite land development of MidTown Parcel 1 is expected to commence in the first quarter of 2025 and is expected to be phased, with initial deliveries to homebuyers expected to commence in the first quarter of 2026. The Developer is in negotiations with homebuilders for the sale of MidTown Parcel 2. See " – Builder Contracts and Builders" below.

**MidTown Parcel 3** – The land in MidTown Parcel 3, planned for 146 lots, is expected to be delivered in the first or second quarter of 2025, with the Developer currently in negotiations with homebuilders. The onsite land development of MidTown Parcel 3 is expected to commence in the first or second quarter of 2025, with initial deliveries to homebuyers are expected to commence in the first or second quarter of 2026. See " – Builder Contracts and Builders" below.



**MidTown Parcel 4** – The land in MidTown Parcel 4 is planned for 222 lots. The onsite land development of MidTown Parcel 4 is expected to commence in the first or second quarter of 2025, with initial deliveries to homebuyers expected to commence in the first or second quarter of 2026. See " – Builder Contracts and Builders" below.

**Tuckers Cove Phases 1C & 1D** – The land in Tuckers Cove Phases 1C & 1D, planned for 383 lots, was delivered to Lennar Homes on December 22, 2022. The onsite land development of Tuckers Cove Phases 1C & 1D is underway and will be phased. Land development for Tuckers Cove Phase 1C is substantially complete. Land development for Tuckers Cove Phase 1D is underway with completion expected by March 2026. All of the land within Phase 1 of Tuckers Cove, including Phases 1C and 1D as well as subphases within the Series 2022 Special Assessment Area, has been platted. Sales and vertical construction within Tuckers Cove Phases 1C & 1D commenced in September 2023 and March 2024, respectively. Approximately 56 homes are under contract pending closing and approximately 46 homes are under construction. Deliveries to homebuyers commenced in the third quarter of 2024, with approximately three homes closed as of October 2024. See " – Builder Contracts and Builders" below.

**Webbs Reserve Phase 1** – The land in Webbs Reserve Phase 1, planned for 398 lots, was delivered to Lennar Homes on December 15, 2023. The onsite land development of Webbs Reserve Phase 1 is substantially complete. One hundred ninety-four lots have been platted as of October 2024, with the remaining land having been platted into development tracts. Sales and vertical construction within Webbs Reserve Phase 1 commenced in September 2023 and January 2024, respectively. As of October 2024, approximately 219 homes are under contract pending closing and approximately 271 homes are under construction. Deliveries to homebuyers commenced in the third quarter of 2024, with approximately 18 homes closed as of October 2024. See " – Builder Contracts and Builders" below.

**DiVosta Parcel Phase 2** – The land in the DiVosta Parcel Phase 2, planned for 500 lots, will be delivered to Pulte in the fourth quarter of 2024. The onsite land development of the DiVosta Parcel Phase 2 is expected to commence in the first quarter of 2025 and will be phased, with initial delivers to homebuyers expected to commence in the third quarter of 2026. See " – Builder Contracts and Builders" below.

[Remainder of page intentionally left blank.]

## Builder Contracts and Builders

The Developer has entered into contracts (the "Builder Contracts") for all of the lots planned for the Series 2024 Assessment Area. Each contract includes a base purchase price, plus a deferred purchase price to be paid upon the sale of finished homes. The expected aggregate purchase price to be paid under all of the Builder Contracts, inclusive of deferred payments, is approximately \$174 million. The Developer has received a total of approximately \$2.8 million in deposits under the Builder Contracts (exclusive of Tuckers Cove 1C & 1D and Webbs Reserve Phase 1), which deposits are nonrefundable to the Builders. For a more detailed description of the Builder Contracts by each phase, please see the discussion below.

Parcel	Builder	# of Lots	Price	Closing
Lee County Parcel 1	Toll*	249	Approx. \$20 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2024 and Q2 2026
Lee County Parcel 2	Multiple	124	Approx. \$52 million (base price plus estimated deferred price)	Developed lots delivered upon completion in Q2 2026
MidTown Parcel 1	Lennar	220	Approx. \$12 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2024
MidTown Parcel 2	Hometown America	231	Approx. \$13 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2024
MidTown Parcel 3	TBD	146	TBD	TBD
MidTown Parcel 4	TBD	222	TBD	TBD
Tuckers Cove 1C & 1D	Lennar Homes	383	Approx. \$16 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2022
Webbs Reserve Ph 1	Lennar Homes	398	Approx. \$16 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2023
DiVosta Parcel Ph 2	Pulte	500	Approx. \$30 million (base price plus estimated deferred price)	Bulk purchase of undeveloped land in Q4 2024

\* The Builder Contract with Toll is still within the inspection period, which is currently expected to expire on November 15, 2024. There is no assurance that Toll will not terminate or seek to modify its contract prior to expiration of its inspection period or, alternately, seek to extend their inspection period prior to the issuance of the Series 2024 Bonds. In the event the contract is terminated, the Developer will commence negotiations with other builders. For more information, see "--Lee County Parcel 1" below. See also "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

### Lee County Parcel 1

The Developer has entered into a Babcock Ranch Participating Builder and Land Purchase Agreement dated June 3, 2024, as amended (the "Lee Parcel 1 Contract"), with Toll Southeast LP Company, Inc. ("Toll") for the purchase in two phases of the undeveloped land within Lee County Parcel 1, which is planned for development as approximately 249 single-family homes, on fifty-foot lots and sixty-foot lots. The Lee Parcel 1 Contract provides for a base purchase price, together

with a deferred price to be paid at the time of closing on a home with an end user. The Developer expects that the total consideration to be paid under the Lee Parcel 1 Contract (inclusive of the deferred price) will be approximately \$20 million. The Developer expects the two closings under the Lee Parcel 1 Contract to occur in the fourth quarter of 2024 and the second quarter of 2026.

Toll has made a deposit of \$100,000, which is currently refundable to Toll. An additional deposit of \$1,002,400 is due at the expiration of the inspection period (which is currently November 15, 2024, as may be extended). As in all transactions, there is more uncertainty surrounding a closing until the buyer's deposit is nonrefundable. A failure to close may result in a delay or failure in the development of the land therein or the construction of homes thereon. In the event Toll terminates, the Developer has received interest from other builders and expects to enter into another builder contract in due course. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

Toll is an affiliate of Toll Brothers, Inc., a Delaware corporation ("Toll Brothers"). Toll Brother's stock trades on the New York Stock Exchange under the symbol TOL. Toll Brothers is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Toll Brothers is No-001-09186. Such reports, proxy statements, and other information can be found on the SEC's internet website at <http://www.sec.gov>. All documents subsequently filed by Toll Brothers pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

### **Lee County Parcel 2**

The Developer is currently in active negotiations with various builders for the sale of developed lots within Lee County Parcel 2. The Developer expects to enter into contracts by the second quarter of 2025, with lot deliveries expected in the first quarter of 2026 following development completion. The Developer anticipates that the purchase price, together with deferred consideration for the lots in Lee County Parcel 2, will total approximately \$52 million. There can be no assurance that the Developer will be able to enter into builder contracts on the foregoing terms. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

### **MidTown Parcel 1 (Lennar Homes)**

The Developer has entered into a Babcock Ranch Participating Builder and Land Purchase Agreement dated June 6, 2024, as amended (the "MidTown Parcel 1 Contract"), with Lennar Homes, LLC, a Florida limited liability company ("Lennar Homes"), for the purchase in a single closing of the undeveloped land within MidTown Parcel 1, which is planned for development as approximately 220 single-family homes, on forty- and fifty-foot lots. The MidTown Parcel 1 Contract provides for a base purchase price, together with a deferred price to be paid at the time of closing on a home with an end user. The Developer expects that the total consideration to be paid under the MidTown Parcel 1 Contract (inclusive of the deferred price) will be approximately

\$12 million. The Developer expects closing under the MidTown Parcel 1 Contract to occur in the fourth quarter of 2024.

Lennar Homes has made a deposit of \$759,000, which is nonrefundable to Lennar Homes, and Lennar Homes has issued its Notice to Proceed. Notwithstanding the foregoing, there is a risk that Lennar Homes may not close on the land pursuant to the MidTown Parcel 1 Contract or may fail to develop the land therein or to construct homes thereon. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

For more information regarding Lennar Homes, see "– Tuckers Cove 1C & 1D (Lennar Homes)" below.

### **MidTown Parcel 2 (Hometown)**

The Developer has entered into a Babcock Ranch Participating Builder and Land Purchase Agreement dated May 28, 2024, as amended (the "MidTown Parcel 2 Contract"), with Hometown Communities Limited Partnership, a Maryland limited partnership ("Hometown"), for the purchase in a single closing of the undeveloped land within MidTown Parcel 2, which is planned for development as approximately 231 single-family homes on forty-foot lots. The MidTown Parcel 2 Contract provides for a base purchase price, together with a deferred price to be paid at the time of closing on a home with an end user. The Developer expects that the total consideration to be paid under the MidTown Parcel 2 Contract (inclusive of the deferred price) will be approximately \$13 million. The Developer expects closing under the MidTown Parcel 2 Contract to occur in the fourth quarter of 2024.

Hometown has made a deposit of \$350,000, which is nonrefundable to Hometown, and a Notice to Proceed has been issued. Notwithstanding the foregoing, there is a risk that Hometown may not close on the land pursuant to the MidTown Parcel 2 Contract or may fail to develop the land therein or to construct homes thereon. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

Hometown is a Maryland limited partnership with its principal offices in Baltimore, Maryland. Hometown was formed in 1993.

### **MidTown Parcel 3**

The Developer is beginning to engage in negotiations with interested builders for the sale of MidTown Parcel 3. There can be no assurance that the Developer will be able to enter into a builder contract or as to the terms of such contract. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

### **MidTown Parcel 4**

The Developer is beginning to engage in negotiations with interested builders for the sale of MidTown Parcel 4. There can be no assurance that the Developer will be able to enter into a builder contract or as to the terms of such contract. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" herein.

## **DiVosta Parcel Phase 2 (Pulte)**

The Developer has entered into a Participating Builder and Land Purchase Agreement dated June 14, 2021, as amended (the "Pulte DiVosta Contract"), with Pulte, for the purchase in a single closing of the remaining undeveloped land within Phase 2 of the DiVosta Parcel, which is planned for development as approximately 500 single-family lots under Pulte's DiVosta brand. Pulte previously closed under the Pulte DiVosta Contract on land within Phase 1 of the DiVosta Parcel, which is also planned for development as 500 single-family lots, of which 234 lots had been platted as of October 2024, with the remaining 266 lots planned for Phase 1 expected to be platted in late 2024. The Pulte DiVosta Contract provides for a base purchase price, together with a deferred price to be paid at the time of closing on a home with an end user. The Developer expects that the total consideration to be paid for Phase 2 under the Pulte DiVosta Contract (inclusive of the deferred price) will be approximately \$30 million. The Developer expects closing under the Pulte DiVosta Contract to occur in the fourth quarter of 2024.

Pulte has made a deposit of \$2,225,000, which is nonrefundable to Pulte. Notwithstanding the foregoing, there is a risk that Pulte may not close on the remaining land pursuant to the Pulte DiVosta Contract or may fail to develop the land therein or to construct homes thereon. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete Development" herein.

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

## **Tuckers Cove 1C & 1D (Lennar Homes)**

In addition to the foregoing builder contracts, the Developer closed with Lennar Homes on the sale of the undeveloped land within Tuckers Cove 1C & 1D in 2022 for a purchase price (base purchase price plus deferred consideration) of approximately \$11.7 million. Subsequently, Lennar Homes sold the land therein to LNR3 AIV LLC, a Delaware limited liability company (the "Tuckers Cove Landowner") for approximately \$7.855 million.

Lennar Homes and the Tuckers Cove Landowner have entered into a Construction Management Agreement dated February 28, 2023 (the "Construction Agreement"), pursuant to which Lennar Homes is obligated to develop the land within Tuckers Cove into developed lots for the Tuckers Cove Landowner. The Tuckers Cove Landowner is obligated to reimburse Lennar Homes for the costs incurred in developing such lands, subject to the provisions and limitations of the Construction Agreement. In addition, Lennar Homes and the Tuckers Cove Landowner have entered into an Option Agreement dated February 28, 2023, as amended (the "Option Agreement"),

whereby Lennar Homes has made an initial option payment of \$8,383,605 and will make monthly interest payments on the then-outstanding capital, at the rate set forth in the Option Agreement, in return for the option to purchase the 659 lots planned for all of Phase 1 of Tuckers Cove, including 1C & 1D. The Option Agreement provides for purchase prices ranging from \$40,452.20 for a townhouse lot to \$81,914.15 for a 50' lot, subject to adjustment as set forth in the Option Agreement. The Option Agreement sets forth a takedown schedule beginning in October 2023 and continuing thereafter on a quarterly basis, with subsequent takedowns consisting of between 22 and 38 lots, and the final takedown of 50 lots scheduled for the first quarter of 2029, all as subject to adjustment in the Option Agreement.

Lennar Homes was formed on November 30, 2006 and is wholly owned by Lennar Corporation ("Lennar Corp."). Lennar Corp. stock trades on the New York Stock Exchange under the symbol LEN. Lennar Corp. is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Lennar Corp. is No-1-11749. Such reports, proxy statements, and other information are available at the SEC's internet website at <http://www.sec.gov>. All documents subsequently filed by Lennar Corp. pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

#### **Webbs Reserve Phase 1 (Lennar Homes)**

The Developer has also closed with Lennar Homes on the sale of the undeveloped land within Webbs Reserve Phase 1 in 2023 for a purchase price (base purchase price plus deferred consideration) of approximately \$13.5 million. Following issuance of the Series 2024 Bonds, it is expected that Lennar Homes will sell the land within Webbs Reserve Phase 1 to a land bank and enter into an agreement to acquire finished lots on a takedown schedule.

*None of the entities listed above are guaranteeing payment of the Series 2024 Bonds or the Series 2024 Special Assessments.*

[Remainder of page intentionally left blank.]

**Residential Product Offerings**

The following table reflects the Developer's current expectations for the type of units planned for the Series 2024 Assessment Area, along with estimated starting home prices by type of unit, all of which are subject to change.

<b>Product Type</b>	<b>Square Footage</b>	<b>Estimated Base Home Price Ranges</b>
Condo	1,120 – 1,569	\$304,000 - \$336,000
Townhomes	1,400 – 1,870	\$320,150 - \$353,850
Coach Homes	1,741 – 2,110	\$464,550 - \$513,450
Single-Family 30'	1,477 – 1,550	\$362,064 - \$400,176
Single-Family 40'	1,435 – 1,653	\$298,395 - \$329,805
Single-Family 50'	1,912 – 2,903	\$530,240 - \$586,054
Single-Family 60'	2,349 – 3,534	\$720,833 - \$796,710
Single-Family 70'	2,689 – 2,800	\$864,500 - \$955,500
Single-Family 120'	2,800 – 3,600	\$1,520,000 - \$1,680,000
Single-Family 150'	3,500 – 4,500	\$1,900,000 - \$2,100,000

[Remainder of page intentionally left blank.]

## **Amenities; Commercial/Retail Development**

The Development includes significant amenities as well as commercial and retail developments. The amenity, commercial and retail improvements costs total approximately \$150 million.



[Remainder of page intentionally left blank.]



The Development includes a 2,400-square foot lake house with community kitchen, party and game rooms, a recreational and resort pool, covered outdoor barbeque and kitchen and television area, a lakeside tot lot, a lakeside lawn, community gardens, multiple walking and biking paths, a dog park, and a lakeside sunset deck.



[Remainder of page intentionally left blank.]

Assessment Area 1 also includes commercial and retail development in the "Town Square," which provides several amenities and is comprised of the following five buildings: (i) Woodlea Hall, (ii) Slaters Goods and Provisions ("Slaters")/Square Scoops/The Hatchery, (iii) The Hive, (iv) the Wellness Center and (v) The Lakehouse Kitchen and Bar and Grill, totaling 66,984 square feet of commercial and retail space.

Woodlea Hall features three tenants in a total of 10,208 square feet of space. The first floor of Woodlea Hall houses the Discovery Center, where visitors can come to learn more about the Babcock Ranch Community, builders, initiatives and register for more information. The second floor houses the Guarantor's offices at Babcock Ranch. Across the street, to the south of Woodlea Hall, is Slaters, Square Scoops, and The Hatchery. The building totals 14,400 square feet. Slaters is a casual market, café, and general store that serves breakfast, lunch and dinner. Square Scoops is an ice cream and coffee shop. The second floor houses The Hatchery, a flexible co-working and event space where visitors can rent an office or meeting room space in hourly, daily or monthly increments.



To the east of Slaters, is the Hive, a 12,456 square foot building, which is 100% occupied by the Developer utilizing it as office space for its development team.

[Remainder of page intentionally left blank.]

To the north of the previous school building and the east of the Lakehouse Kitchen and Baron Lake Babcock is the Wellness Center, which is complete. The Wellness Center is 26,407 square feet and houses a gym, a physician's office, and additional office space.



[Remainder of page intentionally left blank.]

The Cypress Lodge and Tower is a second clubhouse amenity building in Assessment Area 1, located on Lake Babcock. It is a 5,200-square foot building, featuring a resort pool and an iconic 68' tower on Lake Babcock. The facility was completed and opened during the first quarter of 2021.





[Remainder of page intentionally left blank.]

The Developer has also constructed several public parks. Most recently, the Developer completed a 20-acre regional sports complex, the William and Mary Ann Smith Sports complex. It features a football field with a track, a multipurpose field, softball field and baseball field. It is located north of Assessment Area 2A and directly southeast of Babcock Neighborhood School.



The Developer is also in process of developing and opening a series of six parks located along the 3-mile Babcock Trail Road. All six parks are connected by hiking and biking trails and will be open by the first quarter of 2025. Conceptual imagery is included below:



Bluebird Park



Hillcrest Park

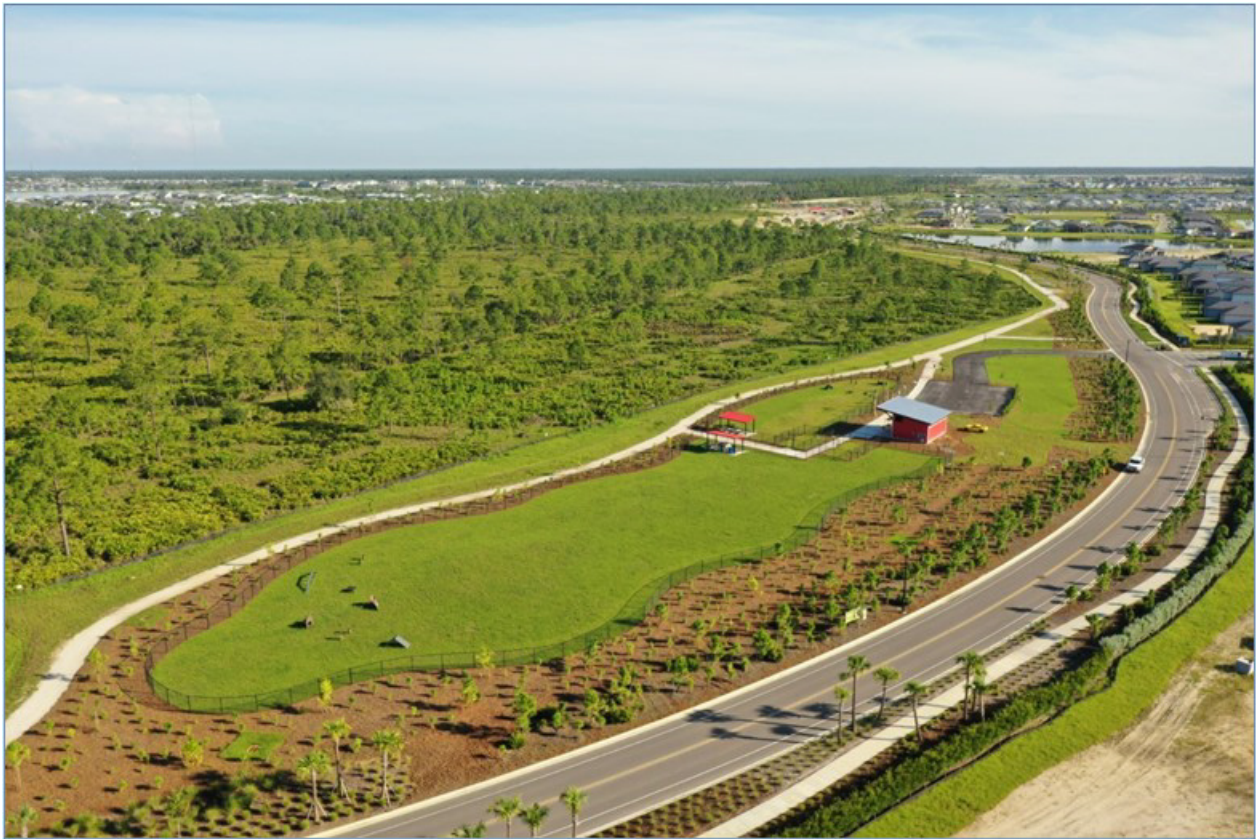


Lagoon Park

[Remainder of page intentionally left blank.]



Explorers Park



Bark Park





Palmetto Park

An affiliate of the Developer, Babcock Retail Holdings, LLC, developed an 84,410-square foot grocery shopping center, titled "Crescent B Commons" and anchored by Publix, as presented in the picture. It features other national tenants such as Starbucks, Pet Supermarket, and Fifth Third Bank. Crescent B Commons is located on Cypress Parkway at its intersection with State Road 31 in the Babcock Ranch Community. Development was completed in September of 2021 and the shopping center is 100% leased.



Another affiliate of the Developer, SYP at BRC, LLC, is developing a 120,039-square foot shopping center, titled "Shoppes at Yellow Pine" anchored by Marshalls, Ulta, Five Below, Ace Hardware and Tampa General Hospital urgent care. Shoppes at Yellow Pine is located directly north of Crescent B Commons and is located on Cypress Parkway at its intersection with State Road 31 in the Babcock Ranch Community. Development broke ground in November of 2023 and is expected to be completed by the second quarter 2025. The shopping center is 100% leased.



The Babcock Ranch Community is surrounded by a 73,000-acre permanent nature preserve and contains approximately 9,000 acres of natural greenways, parks, lakes and over 50 miles of trails.

### **Development Approvals and Permits**

The District, including the Series 2024 Assessment Area, is partially located in Charlotte County within the Master DRI, which is governed by the Master DRI Development Order, initially approved by Charlotte County on December 13, 2007 and subsequently amended, most recently by Resolution No. 2023-078, adopted on May 23, 2023 (the "Master DO"). The Master DO provides for development of the portion of the District located in Charlotte County in increments.

The District, including the Series 2024 Assessment Area, is also partially located within Lee County, which is governed by Mixed Use Planned Development zoning under Resolution Number Z-17-026 and subsequently amended, most recently by Administrative Amendment (PD) ADD2021-00188.

The permitting process is underway. The District Engineer has certified that the permits required for the development of each parcel either have been obtained from the appropriate agencies or are reasonably expected to be obtained through the normal course of development.

The District is undertaking a program of offsite roadway improvements to assist in the development of the District Lands and satisfy offsite road obligations (the "S.R. 31 Roadway Improvements"). The S.R. 31 Roadway Improvements consist of widening the existing two-lane undivided segment of S.R. 31 from Bayshore Road (S.R. 78) in Lee County to Horseshoe Road in Charlotte County to a four-lane divided road, expandable to six lanes in the future, as well as regional drainage improvements. Upon completion, the S.R. 31 Roadway Improvements will be conveyed to the Florida Department of Transportation for ownership, operation and maintenance. The S.R. 31 Roadway Improvements have an estimated cost of approximately \$82 million. The District intends to finance a portion of the cost of the S.R. 31 Roadway Improvements with the proceeds of the SIB Loan in the amount of approximately \$31.3 million, with the remaining costs expected to be funded by Developer contributions of approximately \$50.7 million. Work on the S.R. 31 Roadway Improvements has commenced, with anticipated completion in the fourth quarter of 2026. The SIB Loan is secured by the SIB Loan Special Assessments levied on certain District Lands that have not yet paid Developer Transportation Fees to the Developer. All the land within Series 2024 Assessment Area located in Charlotte County will be subject to the SIB Loan Special Assessments. See "THE DISTRICT – Outstanding Indebtedness" for more information regarding the SIB Loan.

## **Environmental**

URS Corporation Southern ("URS") prepared a Phase I Environmental Site Assessment dated July 26, 2006 and a Limited Phase II Environmental Site Assessment dated July 12, 2006 (collectively, the "ESAs") on all of the lands in the Babcock Ranch Community (which include lands outside of the Development). The ESAs noted that current and prior uses of the lands in Babcock Ranch included agricultural fields, cattle grazing fields, hunting camps, an asphalt production facility and a limestone mining facility. The ESAs determined that levels of arsenic, dieldrin, atrazine, and petroleum products were present in numerous locations throughout the Babcock Ranch Community at levels that exceeded State cleanup target levels. The ESAs recommended that additional site assessments be performed to determine the extent of any soil or groundwater contamination.

Since 2006, the Developer has conducted further assessments and undertaken various site rehabilitation measures. There was a site within the Babcock Ranch Community with respect to the Orvis Parcel (outside of the Series 2024 Assessment Area) which identified a small area containing elevated arsenic levels, impacting two building pads. Remediation of that site was completed in April 2022. To the Developers knowledge, no other such sites with concern to environmental risk exist. See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Utilities and the Utility System**

FP&L will be the electric utility provider for the Series 2024 Assessment Area. Potable water, sanitary sewer, and irrigation quality water will be provided by Babcock Ranch Water Utilities, a department of the District, through an agreement with MSKP Town and Country Utility, LLC, and Babcock Ranch Irrigation, LLC, affiliates of the Developer.

## Taxes, Fees and Assessments

As set forth in the Assessment Methodology, the Series 2024 Special Assessments securing the Series 2024 Bonds will be initially levied on the gross acres each individual phase in accordance with the development plans relating thereto until such time the lots are platted. The following table summarizes the expected initial allocation of debt by phase.

<b>Parcel</b>	<b>County</b>	<b>Lots Planned</b>	<b>Acres</b>	<b>Par*</b>
Lee County Parcel 1	Lee	249	124.92	\$6,994,054.00
Lee County Parcel 2	Lee	124	175.77	\$8,194,487.99
MidTown Parcel 1	Charlotte	220	58.00	\$5,091,671.31
MidTown Parcel 2	Charlotte	231	58.55	\$4,700,004.29
MidTown Parcel 3	Charlotte	146	32.89	\$2,822,037.21
MidTown Parcel 4	Charlotte	222	30.62	\$3,387,665.43
Tuckers Cove 1C & 1D	Charlotte	383	107.00	\$6,199,820.13
Webbs Reserve Ph 1	Charlotte	398	149.85	\$7,801,919.92
DiVosta Parcel Ph 2	Lee	500	184.25	\$9,063,339.74
		<b>2,473</b>	<b>921.85</b>	<b>\$54,255,000.00</b>

\* Preliminary, subject to change. Totals may not add due to rounding.

As each Phase in the Series 2024 Assessment Area is platted, the Series 2024 Special Assessments will be assigned to the platted lots within such Phase on a first platted, first assigned basis. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for more information. Assuming that all of the planned 2,743 residential units are developed and platted, the Series 2024 Special Assessments levied and allocated to platted units to pay debt service on the Series 2024 Bonds and the Series 2024 Bond par per unit are expected to be as follows:

[Remainder of page intentionally left blank.]

<b>Product Type</b>	<b>No. of Units</b>	<b>Annual Series 2024 Special Assessments Per Unit*</b>	<b>Series 2024 Bonds Par Debt Per Unit*</b>
<b>Lee County Parcel 1</b>			
50'	119	\$25,433	\$1,750
60'	130	\$30,520	\$2,100
<b>Lee County Parcel 2</b>			
120'	83	\$61,039	\$4,200
150'	41	\$76,299	\$5,250
<b>MidTown Parcel 1</b>			
40'	99	\$20,346	\$1,400
50'	121	\$25,433	\$1,750
<b>MidTown Parcel 2</b>			
40'	231	\$20,346	\$1,400
<b>MidTown Parcel 3</b>			
38'	146	\$19,329	\$1,330
<b>MidTown Parcel 4</b>			
30'	222	\$15,260	\$1,050
<b>Tuckers Cove 1C &amp; 1D</b>			
20'	106	\$11,626	\$800
52'	230	\$17,440	\$1,200
62'	47	\$20,346	\$1,400
<b>Webbs Reserve Phase 1</b>			
52'	117	\$25,738	\$1,771
70'	57	\$28,703	\$1,975
30-Unit	60	\$14,083	\$969
16-Unit	112	\$14,083	\$969
12-Unit	12	\$14,083	\$969
Coach	40	\$14,083	\$969
<b>DiVosta Parcel Phase 2**</b>			
34'	96	\$11,943	\$822
50'	237	\$17,563	\$1,209
64'	167	\$22,481	\$1,547
<b>Total:</b>	<b>2,473</b>		

\* Preliminary, subject to change. When collected via the Uniform Method, annual assessment levels will be subject to a gross up to include early payment discounts and County collection fees.

\*\* The Series 2022 Special Assessments securing the Series 2022 Bonds were initially assigned to all 426.1 acres within the DiVosta Parcel, including the land within Phase 2, and are being assigned at platting to the first 500 lots therein on a first platted, first assigned basis. As of October 2024, Series 2022 Special Assessments have been assigned to 234 platted lots within Phase 1. The Series 2022 Special Assessments will be fully assigned prior to the assignment of Series 2024 Special Assessments to platted lots within Phase 2 of the DiVosta Parcel.

The District has imposed operations and maintenance assessments of approximately \$589 per unit for Fiscal Year ended September 30, 2024, which are subject to change. The land within the District has been and is expected to continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2024 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, Charlotte County and Lee County, and the School Districts of Charlotte County, Florida, and Lee County, Florida, may each levy ad valorem taxes upon the land in the Series 2024 Assessment Area. The total millage rate applicable to property located within the Charlotte Development in tax year 2024 is approximately 14.9803 mills. The total millage rate applicable to property located within the Lee Development in tax year 2024 is approximately 14.403 mills. 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. See more information regarding the Series 2024 Special Assessments, see "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein.

In addition, the land within the Series 2024 Assessment Area (other than the DiVosta Parcel) will be subject to the SIB Loan Special Assessments, levied in the annual amount of \$163 per single-family unit. The District expects that the portion of the SIB Loan associated with such Parcels will be paid from Developer Transportation Fees at the time such land is developed and sold to Builders and not from the SIB Loan Special Assessments levied on the land within the Series 2024 Assessment Area. See "THE DISTRICT – Outstanding Indebtedness – SIB Loan" and "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS – Other Taxes, Fees and Assessments" herein for more information regarding the SIB Loan and "–Builder Contracts and Builders" above for more information regarding the Builder Contracts.

## **Education**

The Developer entered into a School Site Dedication Agreement with The School Board of Charlotte County (the "School Board") in February 2009, pursuant to which the Developer agreed to dedicate three 20-acre elementary school sites, one 30-acre middle school site, one 50-acre high school site and one 25-acre educational service center site. The dedication of school sites will allow the children within the Development to attend schools within the Development. The School Site Dedication Agreement was amended by addendum on January 9, 2018, which addendum, inter alia, provides that the parties intend to revisit the School Site Dedication Agreement as further development of charter schools occur, recognizing that the charter schools within the Development may eliminate the need for school and support sites to be dedicated to the School Board.

The K-8 permanent Babcock Neighborhood School building opened in August 2018. Babcock Neighborhood School grades 9 through 12 opened in Fall of 2022. Babcock Neighborhood School is located within the Development and was rated B by the Florida Department of Education in 2024. The Charlotte and Lee County School Boards 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; however

the charter for Babcock Neighborhood Schools gives priority to students within the Development and Charlotte County.

## **Competition**

The scale of the Babcock Ranch Community, combined with its access to nature and sustainable energy initiatives, is expected to offer residents a unique lifestyle experience within Southwest Florida. Locally, however, the Babcock Ranch Community is expected to compete with projects in the Charlotte County market generally and, more particularly, the southern portion of Charlotte County and the northern portion of Lee County. The Developer believes the projects listed below offer different lifestyles than the Babcock Ranch Community but are the closest in proximity for direct competition with the Development.

*River Hall.* River Hall is located approximately eight miles from the Development and is being developed by GreenPointe Communities. Lennar Homes, D.R. Horton and Pulte are current builders in River Hall. Development started in River Hall in 2006. At buildout, River Hall is expected to contain 2,267 homes and an 18-hole golf course. Home prices are believed to range from \$350,000 to over \$500,000.

*Portico.* Portico is located approximately eight miles from the Development, adjacent to River Hall, and is being developed by Lennar Homes. Portico is expected to contain approximately 1,398 homes at buildout. Home prices will range from the \$351,000 range to over \$502,000.

*Brightwater.* Brightwater is located approximately five miles from the Babcock Ranch Community and is under development by Metro Development Group. D.R. Horton and Maronda Homes are building in Brightwater. Development began in 2019. At buildout, Brightwater is expected to contain 1,276 homes. Home prices will range from approximately \$330,000 to \$502,000.

*The information in this sub-section has been obtained from third parties and public sources believed to be accurate but cannot be certified as to its accuracy and is subject to change. This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather provide a description of those that the Developer feels pose primary competition to the Development.*

## **Developer Agreements**

The Developer and Lennar Homes will each enter into a completion agreement that will obligate the Developer and Lennar Homes to complete their respective portions of the Series 2024 Project not funded with proceeds of the Series 2024 Bonds.

In addition, the Developer and Lennar Homes, as applicable, will execute and deliver to the District Collateral Assignment and Assumption of Development Rights Agreements (the "Collateral Assignments"), pursuant to which the Developer and Lennar Homes will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by such entity, development rights relating to the Series 2024 Project and the development of the Series 2024 Assessment Area. That said, the Developer has previously granted similar rights ("Prior Collateral Assignments") in connection with the issuance of the District's

Prior Bonds. In addition, any mortgagees or Builders, as applicable, may have certain development rights and other rights assigned to it under the terms of their mortgage or Builder Contract relating to the Development, which may be superior to such rights that might otherwise be assigned to the District under the terms of the Collateral Assignment. Notwithstanding such Collateral Assignments, in the event the District forecloses on the lands subject to the Series 2024 Special Assessments as a result of the Developer's, Lennar Homes or a 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 Series 2024 Project or the development of the Series 2024 Assessment Area.

Finally, the Developer, Lennar Homes and the Tuckers Cove Landowner, as applicable, will also enter into True-Up Agreements in connection with their respective obligations to pay true-up payments in the event that debt levels remaining on unplatted lands in the Series 2024 Assessment Area increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Developer, Lennar Homes and the Tuckers Cove Landowner are unsecured obligations. The Developer is a special-purpose entity whose assets consist primarily of its interests in the Development. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Development" and "THE DEVELOPER" herein for more information regarding the Developer and "–Builder Contracts and the Builders – Tuckers Cove 1C & 1D (Lennar Homes)" herein for more information regarding Lennar Homes and the Tuckers Cove Landowner.

## **THE DEVELOPER**

Babcock Property Holdings, L.L.C., a Delaware limited liability company (the "Developer") is master developer of the Babcock Ranch Community and the owner of the land within the Series 2024 Assessment Area, which is the land subject to the Series 2024 Special Assessments. The Developer also owns most of the remaining undeveloped land in the District that is not owned by homebuilders and currently or soon to be developed by them. The Developer was organized on July 25, 2006. The Developer is a single-purpose investment entity whose sole asset is the land it owns in the District.

The sole member of the Developer is KE Babcock Holdings, LLC, a Delaware limited liability company, which is in turn owned by Kitson & Partners Communities, LLC, a Delaware limited company, which is in turn owned by Kitson–Evergreen LLC, a Delaware limited liability company ("Kitson–Evergreen"). Kitson–Evergreen and its affiliates do business under the name Kitson & Partners. Kitson–Evergreen is owned by Kitson Investment Partners, LLC, a Delaware limited liability company ("KIP") and Evergreen Florida Development, LLC, a Delaware limited liability company ("Evergreen Florida"). Evergreen Florida owns a substantial majority interest in Kitson & Partners. Kitson & Partners is managed by KIP as the operating member subject to the oversight of an Executive Committee established to make all required "major decisions." The Executive Committee is composed of two KIP members and two Evergreen Florida members.



Evergreen Florida is wholly owned by Evergreen Real Estate Partners, LLC ("Evergreen"). Evergreen is the primary real estate principal investment arm of M3 Capital Partners ("M3"), through which it manages a \$5.7 billion real estate private equity investment vehicle for one of the largest U.S. state pension funds. M3 initiated its principal investment program in 2005 with the creation of Evergreen, a wholly-owned subsidiary of the firm. Its investment in Kitson–Evergreen dates back to 2006. Since its inception, Evergreen has invested in 14 specialized real estate companies in the U.S., Europe, Asia, Brazil and Australia. Evergreen is capitalized by its state pension fund investor, with a minority co-investment from M3.

Evergreen has committed an allocation of \$475 million to Kitson–Evergreen, subject to specific approval of proposed investments. It approves specific capital investments for projects recommended by the Kitson–Evergreen Investment Committee and approved by the Kitson Evergreen Executive Committee. Contractual obligations undertaken by Kitson Evergreen, such as the transactions contemplated by and required to close the Series 2024 Bonds, are each approved as a "major decision" and authorized by the Kitson–Evergreen Executive Committee before the funds required to perform such contractual obligations are specifically allocated and committed.

Kitson & Partners was funded in 2000, although its management team's experience dates back to 1986 and is set forth in more detail below. Kitson & Partners' company headquarters are located in Palm Beach Gardens, Florida. In 2010, Kitson & Partners completed the development of the Ibis Golf & Country Club, a 1,871 single family home residential development that included three 18-hole golf courses and a 50,000 square foot clubhouse in West Palm Beach, Florida. Kitson & Partners also co-developed the Jack Nicklaus Golf Club of Korea, an 18-hole Nicklaus Signature golf course and 80,000 square foot clubhouse in a development known as the New Songdo International City in Incheon Metropolitan City, Korea. In 2016, Kitson & Partners completed the development of Bay Pines, a mixed-use project near St. Petersburg, Florida consisting of 56 single-family homes, 330 apartments, 218,000 square feet of commercial space and a 125-room hotel. Kitson & Partners is also developing Talis Park, an approximately 461-acre master-planned residential community primarily located in the northwestern portion of unincorporated Collier County, Florida that is planned for approximately 590 homes and an 18-hole golf course and related amenities.

The biographies of the key principals and management team of the Developer, which are also the key principals and management team of KIP, are below.

Chief Executive Officer. Sydney W. "Syd" Kitson is the Chief Executive Officer of the Developer. He is a Wake Forest University graduate with a Bachelor of Arts degree in Economics. Mr. Kitson had a notable career in the National Football League, playing offensive guard for both the Green Bay Packers and the Dallas Cowboys. Upon his retirement from professional football, he began his career in real estate by founding a company that, from 1986 to 1992, was responsible for the development and sale of residential communities, commercial properties, retail stores, medical offices and senior housing units.

In 1992, he helped create the residential division of Gale & Wentworth, and later, in 1996, became its President and Chief Operating Officer. From 1996 through 1999, he was responsible for overseeing the development of numerous successful master-planned communities, including

Cherry Valley (Montgomery Township, New Jersey) and Ibis Golf & Country Club (West Palm Beach, Florida). He founded Kitson & Partners in 1999.

Mr. Kitson has lectured at Princeton University, and has served on multiple civic, education and non-profit boards. He is a member of the NFL Alumni Association and the National Football League Players' Association. In 2000, he received the Rainbow Award from the Adam Walsh Children's Foundation. He chaired the 2016-2017 Florida Chamber of Commerce Board of Directors, served as Chair of the Board of Governors for the State University System of Florida in 2020 and 2021, is immediate past Chair of the Florida Council of 100, and was named TIME Magazine's "Dreamer of the Year" in 2023.

Vice President. Thomas Hoban is Vice-President of the Developer and President, Chief Investment Officer and Partner of Kitson & Partners ("K&P"). Tom has over 29 years of experience in the real estate industry, which includes a broad understanding of the capital markets. Tom helps set the strategic direction for K&P, with a primary focus on its investment strategy and financial performance. Tom is responsible developing strategic budgetary plans, aligning financial goals, budgets, and forecasts, as well as identifying and mitigating financial risks.

Prior to joining the K&P team in 2003, Tom spent eight years in New York City as an investment banker at Morgan Stanley, where he served as Vice President of U.S. Acquisitions for the Morgan Stanley Real Estate Fund. During his career on Wall Street, Tom worked in both the agency and principal businesses, where he executed on over \$8 billion of real estate transactions.

Tom graduated cum laude from the University of Notre Dame with a Bachelor of Business Administration in Finance. He is an Advisory Board member for the Fitzgerald Institute for Real Estate at the University of Notre Dame and also serves as a board member on (i) the Economic Council of Palm Beach County (Policy Chair), (ii) Florida TaxWatch (Executive Committee) and (iii) Loxahatchee River Historical Society. Tom is a long-time volunteer for the Palm Beach Gardens Youth Athletic Association, where he serves in a leadership capacity in the TOPSoccer program (focusing on children with special needs). Tom is also an active member in the Urban Land Institute and the International Council of Shopping Centers.

Kitson–Evergreen Advisory Board. Kitson–Evergreen also has an Advisory Board, which meets three times a year to review performance and strategic initiatives. The Advisory Board currently consists of five members: Lawrence Burns, Jeb Bush, Peter Rummell, William Smith, and Will Weatherford. Mr. Burns is a former General Motors Corporate Vice President of Research & Development and Planning from 1998-2009. After leaving GM, Larry has been a Professor of Engineering Practice at the University of Michigan, the Director of the Program for Sustainable Mobility at Columbia University, a consultant to Google Self-Driving Cars/Waymo and an advisor to several major companies including Allstate, Goodyear, Hess, Greentech Capital Advisors and VantagePoint Capital Partners. Governor Bush was the 43rd Governor of the State of Florida. Prior to and after his tenure as Florida's chief executive. Governor Bush has been actively involved in the private sector, helping to build the largest full service real estate company in South Florida and owning and operating successful consulting and investing businesses. Governor Bush is also the Chairman and Founding Partner of Finback Investment Partners which is a private equity firm that takes active minority interest in middle market and growth-stage companies. Governor Bush maintains his passion for improving the quality of education for

students by serving as the chairman of the Foundation for Excellence in Education, a national non-profit organization he founded to work with education leaders, teachers, parents, and advocates to develop and implement reforms that lead to rising student achievement. Mr. Rummell is a former Chairman of Walt Disney Imagineering and President of Disney Development Company, a former CEO of The St. Joe Company, a former CEO of Nicklaus Companies and a former Chairman of the ULI and the ULI Foundation. Mr. Smith is a Wall Street executive with 33 years of experience and has served as the former Managing Director of Morgan Stanley and Head of Morgan Stanley Realty, a former Head of Investment Banking at Dean Witter Reynolds, and former Head of the Real Estate and Financial Institutions Groups at Blyth Eastman Paine Webber. Mr. Weatherford is the Managing Partner of Weatherford Capital, a strategic advisory and business consulting firm, former 84th Speaker of the Florida House of Representatives serving 2012 to 2014 and holds multiple board positions.

NEITHER THE DEVELOPER NOR ANY OF THE OTHER ENTITIES LISTED ABOVE ARE GUARANTEEING PAYMENT OF THE SERIES 2024 BONDS OR THE SERIES 2024 SPECIAL ASSESSMENTS. NONE OF THE ENTITIES LISTED HEREIN, OTHER THAN THE DEVELOPER, HAS ENTERED INTO ANY AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF THE SERIES 2024 BONDS.

## **TAX MATTERS**

### **General**

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements that the District must continue to meet after the issuance of the Series 2024 Bonds in order that the interest on the Series 2024 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2024 Bonds. The District has covenanted in the Indenture to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds.

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2024 Bonds is excludable from gross income of the holders thereof for federal income tax purposes; and, further, interest on the Series 2024 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income. Bond Counsel is further of the opinion that the Series 2024 Bonds and the interest thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors as to the status of interest on the Series 2024 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2024 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Developer, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2024 Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Series 2024 Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2024 Bonds, or the ownership or disposition of the Series 2024 Bonds. Prospective purchasers of Series 2024 Bonds should be aware that the ownership of Series 2024 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2024 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2024 Bonds, (iii) the inclusion of the interest on the Series 2024 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2024 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, (v) the inclusion of interest on the Series 2024 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits, (vi) net gain realized upon the sale or other disposition of property such as the Series 2024 Bonds generally must be taken into account when computing the Medicare tax with respect to net investment income or undistributed net investment income, as applicable, imposed on certain high income individuals and specified trusts and estates and (vii) receipt of certain investment income, including interest on the Series 2024 Bonds, is considered when determining qualification limits for obtaining the earned income credit provided by Section 32(a) of the Code. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their own tax advisors as to the impact of these and any other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance of the Series 2024 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

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

Certain of the Series 2024 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section

1273 or 1274 (*i.e.*, for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2024 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale, or other disposition of that Discount Bond.

Certain of the Series 2024 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

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

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

From time to time, there are legislative proposals suggested, debated, introduced, or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the excludability from gross income of interest on the Series 2024 Bonds, or adversely affect the market price or marketability of the Series 2024 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2024 Bonds. Prospective purchasers of the Series 2024 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

## **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 2024 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the Series 2024 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of Series 2024 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2024 Bonds and proceeds from the sale of Series 2024 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2024 Bonds. This withholding generally applies if the owner of Series 2024 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the Series 2024 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

### **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2024 Bonds, that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

### **LEGALITY FOR INVESTMENT**

The Act provides that the Series 2024 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.

### **SUITABILITY FOR INVESTMENT**

In accordance with applicable provisions of Florida law, the Series 2024 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes and the rules promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfers in any secondary market for the Series 2024 Bonds. Investment in the Series 2024 Bonds poses certain economic risks. No dealer, broker, salesperson or other person has been authorized by the District or the Underwriter to give any

information or make any representations, other than those contained in this Limited Offering Memorandum.

## **ENFORCEABILITY OF REMEDIES**

The remedies available to the Owners of the Series 2024 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the Series 2024 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2024 Bonds will be qualified as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

## **LITIGATION**

### **The District**

There is no litigation of any nature now pending or, to the knowledge of the District threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2024 Bonds, or in any way contesting or affecting (i) the validity of the Series 2024 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2024 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings. See "VALIDATION" herein.

### **The Developer**

The Developer has represented that there is no litigation of any nature now pending against the Developer or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the completion of the Series 2024 Project and the development of the lands in the District as described herein, materially and adversely affect the ability of the Developer to pay the Series 2024 Special Assessments imposed against the land within the Series 2024 Assessment Area owned by the Developer or materially and adversely affect the ability of the Developer to perform its various obligations described in this Limited Offering Memorandum.

## **CONTINGENT FEES**

The District has retained Bond Counsel, District Counsel, the Consulting Engineer, the District Manager/Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (which has retained Trustee's counsel), with respect to the authorization, sale, execution and delivery of the Series 2024 Bonds. Except for the payment of certain fees to District Counsel, the Consulting Engineer and the District Manager, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2024 Bonds.

## **NO RATING**

No application for a rating for the Series 2024 Bonds has been made to any rating agency, nor is there any reason to believe that an investment grade rating for the Series 2024 Bonds would have been obtained if application had been made.

## **EXPERTS**

The Engineer's Report attached as APPENDIX C to this Limited Offering Memorandum have been prepared by Kimley-Horn and Associates, Inc., Fort Myers, Florida (the "Consulting Engineer") regarding the Series 2024 Project. APPENDIX C should be read in its entirety for complete information with respect to the subjects discussed therein.

The Methodology Consultant, has prepared the Assessment Methodology set forth as APPENDIX D attached hereto. APPENDIX D should be read in its entirety for complete information with respect to the subjects discussed therein. As a condition to closing on the Series 2024 Bonds, both the Consulting Engineer and the Methodology Consultant will consent to the inclusion of their respective reports in this Limited Offering Memorandum.

## **FINANCIAL INFORMATION**

This District will covenant in a Continuing Disclosure Agreement, the proposed form of which is set forth in APPENDIX F hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX F, commencing with the audit for the District fiscal year ended September 30, 2024. Attached hereto as APPENDIX E is a copy of the District's audited financial statements for the District's fiscal year ended September 30, 2023, as well as the District's unaudited monthly financial statements for the period ended September 30, 2024. Such financial statements, including the auditor's report included within the audited financial statements, have been included in this Limited Offering Memorandum as public documents and consent from the auditor was not requested. Further, the auditors have not performed any services related to, and therefore are not associated with, the preparation of this Limited Offering Memorandum. The Series 2024 Bonds are not general obligation bonds of the District and are payable solely from the Series 2024 Trust Estate.

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

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

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private



business). The District is not and has never been in default as to principal or interest on its bonds or other debt obligations.

## **CONTINUING DISCLOSURE**

The District, the Developer and Lennar Homes will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX F, for the benefit of the Series 2024 Bondholders (including owners of beneficial interests in such Series 2024 Bonds), to provide certain financial information and operating data relating to the District and the Development by certain dates prescribed in the Disclosure Agreement (the "Reports") with the MSRB through the MSRB's EMMA system. The specific nature of the information to be contained in the Reports is set forth in "APPENDIX F: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Developer to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2024 Bondholders (including owners of beneficial interests in such Series 2024 Bonds) to bring an action for specific performance.

### **The District**

The District has previously entered into continuing disclosure undertakings with respect to its Prior Bonds (the "District's Prior Undertakings"). A review of filings made pursuant to such prior undertakings indicates that, in the past five years, the District failed to file or timely file certain annual financial information and/or operating data. The District does not have actual knowledge of any other instances in which it has failed to comply, in all material respects, with the District's Prior Undertakings during the Compliance Period. However, the District may have failed to: (a) provide certain required annual financial information and/or operating data in its annual filings; and/or (b) failed to file or timely file certain notices. The District has appointed the District Manager to serve as its Dissemination Agent for the District's Prior Undertakings and will appoint the District Manager to serve as its Dissemination Agent pursuant to the Disclosure Agreement. The District anticipates satisfying all future disclosure obligations required pursuant to the Disclosure Agreement.

### **The Landowners**

The Developer has previously entered into continuing disclosure undertakings with respect to the District's Prior Bonds as an "obligated person" under the Rule (the "Developer's Prior Undertakings"). A review of filings made pursuant to such prior undertakings indicates that, in the past five years, although the Developer timely filed certain quarterly financial information and/or operating data with the Dissemination Agent, the Dissemination Agent failed to timely disseminate such quarterly financial information and/or operating data pursuant to the Developer's Prior Undertakings. The Dissemination Agent has acknowledged the foregoing to the Developer, and the Dissemination Agent has implemented additional internal procedures to avoid a reoccurrence of these issues in the future. The Developer does not have actual knowledge of any other instances in which it has failed to comply, in all material respects, with the Developer's Prior Undertakings during the past five years. However, the Developer may have failed to: (a) provide certain required

quarterly financial information and/or operating data in its quarterly filings; and/or (b) failed to file or timely file certain notices. The Developer anticipates satisfying all disclosure obligations required pursuant to the Disclosure Agreement.

Lennar Homes has represented and warranted that, to its knowledge, it has provided on a timely basis all reporting information requested by the applicable dissemination agent with respect to prior continuing disclosure agreements entered into pursuant to the Rule. Lennar Homes has been made aware of instances where the information required to be provided to the dissemination agents was not timely requested, not filed with the appropriate repository or, if filed, not filed on a timely basis. Lennar Homes has represented that it has instituted internal processes to provide information to the dissemination agents on a timely basis and obtained assurances from the dissemination agents that they will in turn request the required reporting information timely and file such information timely with the appropriate repository.

### **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter") has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2024 Bonds from the District at a purchase price of \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2024 Bonds, plus/less [net] original issue premium/discount of \$\_\_\_\_\_ and less an underwriter's discount of \$\_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2024 Bonds if any Series 2024 Bonds of such Series are purchased.

The Underwriter intends to offer the Series 2024 Bonds to accredited investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Series 2024 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

### **VALIDATION**

The Series 2024 Bonds are included within the Ten Billion Five Hundred Million Dollars (\$10,500,000,000) of special assessment revenue bonds of the District validated by final judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte County, rendered on April 1, 2008, as subsequently amended and supplemented in a final judgement of the Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte and Lee Counties, rendered on December 2, 2020, validating an additional Three Billion Eight Hundred Fifty Million Dollars (\$3,850,000) of special assessment revenue bonds. The appeal periods for these judgments have expired with no appeal having been filed.

### **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2024 Bonds are subject to the approval of Greenberg Traurig, P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, Florida. Certain legal matters will be passed upon for the Developer by its counsel,

Akerman LLP, Jacksonville, Florida. GrayRobinson, P.A., Tampa, Florida is serving as Underwriter's counsel.

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

### **MISCELLANEOUS**

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

The references herein to the Series 2024 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum is submitted in connection with the limited offering of the Series 2024 Bonds and may not be reproduced or used, as a whole or in part, for any other purpose. This Limited Offering Memorandum is not to be construed as a contract with the purchaser or the Beneficial Owners of any of the Series 2024 Bonds.

[Remainder of page intentionally left blank.]

**AUTHORIZATION AND APPROVAL**

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

**BABCOCK RANCH COMMUNITY  
INDEPENDENT SPECIAL DISTRICT**

By: \_\_\_\_\_  
Bill Vander May, Chairperson

**APPENDIX A**

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

TABLE OF CONTENTS

Page

ARTICLE I  
DEFINITIONS

Section 101. Meaning of Words and Terms ..... 3  
Section 102. Rules of Construction ..... 14

ARTICLE II  
FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS

Section 201. Issuance of Bonds ..... 15  
Section 202. Details of Bonds ..... 15  
Section 203. Execution and Form of Bonds ..... 16  
Section 204. Negotiability, Registration and Transfer of Bonds ..... 16  
Section 205. Ownership of Bonds ..... 16  
Section 206. Special Obligations ..... 17  
Section 207. Authorization of Bonds ..... 17  
Section 208. Temporary Bonds ..... 18  
Section 209. Mutilated, Destroyed or Lost Bonds ..... 19  
Section 210. Pari Passu Obligations Under Credit Agreements ..... 19  
Section 211. Bond Anticipation Notes ..... 19  
Section 212. Tax Status of Bonds ..... 20  
Section 213. Qualification for the Depository Trust Company ..... 20

ARTICLE III  
REDEMPTION OF BONDS

Section 301. Redemption Generally ..... 21  
Section 302. Notice of Redemption; Procedure for Selection ..... 22  
Section 303. Effect of Calling for Redemption ..... 23  
Section 304. Cancellation ..... 23

ARTICLE IV  
ACQUISITION AND CONSTRUCTION FUND

Section 401. Acquisition and Construction Fund ..... 23  
Section 402. Payments From Acquisition and Construction Fund ..... 23  
Section 403. Cost of Project ..... 24  
Section 404. Disposition of Balances in Acquisition and Construction Fund ..... 25

ARTICLE V  
ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF

Section 501. Lien ..... 26  
Section 502. Establishment of Funds and Accounts ..... 26

(i)

ARTICLE VIII  
COVENANTS AND AGREEMENTS OF THE DISTRICT

Section 801. Payment of Bonds ..... 41  
Section 802. Extension of Payment of Bonds ..... 41  
Section 803. Further Assurance ..... 42  
Section 804. Power to Issue Bonds and Create a Lien ..... 42  
Section 805. Power to Undertake Series Projects and to Collect Pledged Revenue ..... 42  
Section 806. Sale of Series Projects ..... 42  
Section 807. Completion and Maintenance of Series Projects ..... 43  
Section 808. Reports ..... 43  
Section 809. Arbitrage and Other Tax Covenants ..... 44  
Section 810. Enforcement of Payment of Assessment ..... 44  
Section 811. Method of Collection of Assessments and Benefit Special Assessments ..... 44  
Section 812. Delinquent Assessments ..... 44  
Section 813. Deposit of Proceeds from Sale of Tax Certificates ..... 45  
Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special Assessment Lien ..... 45  
Section 815. Other Obligations Payable from Assessments or Benefit Special Assessments ..... 45  
Section 816. Re-Assessments ..... 46  
Section 817. General ..... 46  
Section 818. Secondary Market Disclosure ..... 46

ARTICLE IX  
EVENTS OF DEFAULT AND REMEDIES

Section 901. Extension of Interest Payment ..... 47  
Section 902. Events of Default ..... 47  
Section 903. Acceleration of Maturities of Bonds of a Series Under Certain Circumstances ..... 48  
Section 904. Enforcement of Remedies ..... 48  
Section 905. Pro Rata Application of Funds Among Owners of a Series of Bonds ..... 50  
Section 906. Effect of Discontinuance of Proceedings ..... 51  
Section 907. Restriction on Individual Owner Actions ..... 51  
Section 908. No Remedy Exclusive ..... 51  
Section 909. Delay Not a Waiver ..... 51  
Section 910. Right to Enforce Payment of Bonds ..... 52  
Section 911. No Cross Default Among Series ..... 52  
Section 912. Indemnification ..... 52  
Section 913. Provision Relating to Bankruptcy or Insolvency of Landowner ..... 52

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

Section 1001. Execution of Instruments by Owners and Proof of Ownership of Bonds ..... 54

MASTER TRUST INDENTURE

by and between

BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT

and

U.S. BANK NATIONAL ASSOCIATION,  
as Trustee

Dated as of  
December 1, 2015

Section 503. Acquisition and Construction Fund ..... 27  
Section 504. Revenue Fund and Series Revenue Accounts ..... 28  
Section 505. Debt Service Fund and Series Debt Service Account ..... 28  
Section 506. Optional Redemption ..... 30  
Section 507. Rebate Fund and Series Rebate Accounts ..... 32  
Section 508. Investment of Funds and Accounts ..... 33  
Section 509. Deficiencies and Surpluses in Funds ..... 34  
Section 510. Investment Income ..... 34  
Section 511. Cancellation of the Bonds ..... 35

ARTICLE VI  
CONCERNING THE TRUSTEE

Section 601. Acceptance of Trust ..... 35  
Section 602. No Responsibility for Recitals ..... 35  
Section 603. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Gross Negligence ..... 35  
Section 604. Compensation and Indemnity ..... 36  
Section 605. No Duty to Renew Insurance ..... 36  
Section 606. Notice of Default; Right to Investigate ..... 36  
Section 607. Obligation to Act on Default ..... 36  
Section 608. Reliance by Trustee ..... 37  
Section 609. Trustee May Deal in Bonds ..... 37  
Section 610. Construction of Ambiguous Provision ..... 37  
Section 611. Resignation of Trustee ..... 37  
Section 612. Removal of Trustee ..... 37  
Section 613. Appointment of Successor Trustee ..... 38  
Section 614. Qualification of Successor Trustee ..... 38  
Section 615. Instruments of Succession ..... 38  
Section 616. Merger of Trustee ..... 38  
Section 617. Resignation of Paying Agent or Bond Registrar ..... 39  
Section 618. Removal of Paying Agent or Bond Registrar ..... 39  
Section 619. Appointment of Successor Paying Agent or Bond Registrar ..... 39  
Section 620. Qualifications of Successor Paying Agent or Bond Registrar ..... 39  
Section 621. Acceptance of Duties by Successor Paying Agent or Bond Registrar ..... 40  
Section 622. Successor by Merger or Consolidation ..... 40  
Section 623. Brokerage Statements ..... 40  
Section 624. Patriot Act Requirements of the Trustee ..... 40

ARTICLE VII  
FUNDS CONSTITUTE TRUST FUNDS

Section 701. Trust Funds ..... 41

(ii)

(iii)

Section 1002. Deposit of Bonds.....	54
ARTICLE XI SUPPLEMENTAL INDENTURES	
Section 1101. Supplemental Indentures.....	54
Section 1102. Supplemental Indentures With Owner Consent.....	55
Section 1103. Opinion of Bond Counsel With Respect to Supplemental Indenture .....	56
Section 1104. Supplemental Indenture Part of Indenture .....	57
Section 1105. Insurer or Issuer of a Credit or Liquidity Facility as Owner of Bonds.....	57
ARTICLE XII DEFEASANCE	
Section 1201. Defeasance and Discharge of the Lien of this Master Indenture and Supplemental Indentures.....	57
Section 1202. Moneys Held in Escrow.....	61
ARTICLE XIII MISCELLANEOUS PROVISIONS	
Section 1301. Effect of Covenant.....	61
Section 1302. Manner of Giving Notice to the District and the Trustee .....	61
Section 1303. Manner of Giving Notice to the Owners.....	62
Section 1304. Successorship of District Officers .....	62
Section 1305. Inconsistent Provisions .....	62
Section 1306. Further Acts; Counterparts.....	62
Section 1307. Headings Not Part of Indenture .....	63
Section 1308. Effect of Partial Invalidity .....	63
Section 1309. Attorneys' Fees .....	63
Section 1310. Effective Date .....	63

EXHIBIT A - FORM OF REQUISITION

(iv)

and to secure the performance and observance by the District of all of the covenants expressed or implied herein, in the Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does hereby assign and grant a security interest in the following (herein called the "Trust Estate") to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the District herein set forth: (i) the Pledged Revenues (hereinafter defined) and Pledged Funds (hereinafter defined); and (ii) any and all property of every kind or description which may from time to time hereafter be sold, transferred, conveyed, assigned, hypothecated, endorsed, deposited, pledged, granted or delivered to, or deposited with, the Trustee as security for any Series of Bonds issued pursuant to this Master Indenture by the District or anyone on its behalf or with its consent, or which pursuant to any of the provisions hereof or of the Supplemental Indenture securing such Series of Bonds may come into the possession or control of the Trustee or of a lawfully appointed receiver, as such additional security, and the Trustee is hereby authorized to receive any and all such property as and for security for the payment of such Series of Bonds and the interest and premium, if any, thereon, and to hold and apply all such property subject to the terms hereof, it being expressly understood and agreed that except as otherwise provided herein or in a Supplemental Indenture the Trust Estate established and held hereunder for Bonds of a Series shall be held separate and in trust solely for the benefit of the Owners of the Bonds of such Series and for no other Series;

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

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

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

**MASTER TRUST INDENTURE**

**THIS MASTER TRUST INDENTURE**, dated as of December 1, 2015, by and between **Babcock Ranch Community Independent Special District**, a local unit of special-purpose government organized and existing under the laws of the State of Florida (the "District"), and **U.S. Bank National Association**, as trustee (the "Trustee"), a national banking association having the authority to exercise corporate trust powers of the type set forth herein, with its designated corporate trust office located at 225 East Robinson Street, Suite 250, Orlando, Florida 32801, Attention: Corporate Trust.

**WHEREAS**, the District is an independent special district duly created, organized and existing pursuant to Chapter 2007-306, Laws of Florida as amended (the "Act"), for the purpose, among other things, of financing and managing the acquisition, construction, installation, maintenance, and operation of the major infrastructure within and without the boundaries of the District; and

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

**WHEREAS**, additionally, the District has the power and authority under Act to levy and collect Benefit Special Assessments (hereinafter defined); and

**WHEREAS**, the District has found and determined and does hereby find and determine, that acquisition and construction of the Series Projects (hereafter defined) is and will be necessary and desirable in serving the District's goal of properly managing the acquisition, construction, installation and operation of portions of the infrastructure within that portion of the District and the underlying Babcock Ranch community located in Charlotte County, Florida; 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 its 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

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:

"**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 Accountant) from time to time selected by the District.

"**Accounts**" shall mean all accounts created hereunder except amounts on deposit in the Series Rebate Account within the Rebate Fund.

"**Accreted Value**" shall mean, as of the date of computation with respect to any Capital Appreciation Bonds, an amount (truncated to three (3) decimal places) equal to the original principal amount of such Capital Appreciation Bonds at the date of issuance plus the interest accrued on such Bonds from the date of original issuance of such Capital Appreciation Bonds to the date of computation, such interest to accrue at the rate of interest per annum of the Capital Appreciation Bonds (or in accordance with a table of compound accreted values set forth in such Capital Appreciation Bonds), compounded semi-annually on each Interest Payment Date; provided, however, that if the date with respect to which any such computation is made is not an Interest Payment Date, the Accreted Value of any Bond as of such date shall be the amount determined by compounding the Accreted Value of such Bond as of the immediately preceding Interest Payment Date (or the date of original issuance if the date of computation is prior to the first Interest Payment Date succeeding the date of original issuance) at the rate of interest per annum of the Capital Appreciation Bonds for the partial semi-annual compounding period determined by dividing (x) the 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 2007-306, Laws of Florida, as amended from time to time.



"**Additional Bonds**" shall mean Bonds of a Series authenticated and delivered pursuant to the terms of a Supplemental Indenture providing for the issuance of pair 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 Subordinate Debt.

"**Amortization Installments**" shall mean the moneys required to be deposited in a Series 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 the Act as amended from time to time, together with the applicable interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170 Florida Statutes, as amended, if any such interest is collected by or on behalf of the Governing Body, and any applicable penalties collected by or on behalf of the District, together with any and all amounts received by the District from the sale of tax certificates or otherwise from the collection of Delinquent Assessments and which are referred to as such and pledged to a Series of Bonds pursuant to the Supplemental Indenture authorizing the issuance of such Series of Bonds.

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

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

"**Beneficial Owners**" shall have the meaning given such term by the Depository Trust Company so long as it is the registered Owner, through its nominee Cede & Co., of the Bonds as to which such reference is made to enable such 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.

"**Benefit Special Assessments**" shall mean benefit special assessments levied and collected in accordance with Section 6(12)(b) of the Act, 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 Anticipation Notes**" shall mean the bond anticipation notes authorized in Section 211 hereof, issued by the District in anticipation of the sale of a 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.

out the duties of the Consulting Engineer under this Master Indenture or any Supplemental Indenture.

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

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

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

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

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

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

"**Delinquent Assessments**" shall mean, collectively, any and all installments of any Assessments which are not paid when due, including any applicable grace period under State law or District proceedings.

"**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.

"**Direct Billed**" shall mean Assessments or Maintenance Special 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.

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

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

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

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

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

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

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

"**Consulting Engineers**" shall mean the independent engineer or engineering firm or corporation employed by the District in connection with any Series Project to perform and carry

"**District**" shall mean the Babcock Ranch Community Independent Special District an independent special district established pursuant to the Act or any successor thereto which succeeds to the obligations of the District hereunder.

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

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

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

"**Funds**" shall mean all funds created hereunder, except the Rebate Fund.

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

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

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

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

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

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

- (i) Government Obligations;

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

(iii) Direct and general obligations of any state of the United States, to the payment of the principal of and interest on which the full faith and credit of such state is pledged, if at the time of their purchase such obligations are rated in either of the two highest rating categories without regard to gradations within any such categories by either S&P or Moody's;

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

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

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

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

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

8

"**Maintenance Special Assessments**" shall mean assessments described in Section 6(12)(d) of the Act, for the maintenance of District facilities or the operations of the District.

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

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

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

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

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

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

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

"**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.

10

A-4

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

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

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

The Trustee shall be entitled to rely that any investment direction by an Authorized Officer of the Issuer is permitted hereunder.

"**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.

"**Majority Owners**" shall mean the Beneficial Owners of more than fifty percent (50%) of the aggregate principal amount of a Series of Bonds then Outstanding or all of the Bonds then Outstanding, as applicable in the context within which such reference is made.

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

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

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

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

9

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

"**Principal and Interest Requirement**" shall mean with respect to a Series of Bonds, the respective amounts which are required in each Bond Year to provide (less any amounts already on deposit in the applicable funds and accounts held under the related Series Trust Estate):

(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 Charlotte County, Florida, or the person succeeding to such officer's principal functions.

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

"**Rebate Analyst**" shall mean the person or firm selected by the District to calculate the Rebate Amount, which person or firm shall have recognized expertise in the calculation of the Rebate Amount.

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

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

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

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

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

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

11

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

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

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

"Series" shall mean all of the Bonds authenticated and delivered on original issuance of a stipulated aggregate principal amount in a simultaneous transaction under and pursuant to the same Supplemental Indenture and any Bonds thereafter authenticated and delivered in lieu of or in substitution therefor pursuant to this Master Indenture and such Supplemental Indenture regardless of variations in maturity, interest rate or other provisions; provided, however, two or more Series of Bonds may be issued simultaneously under the same Supplemental Indenture if designated as separate Series of Bonds by the District upon original issuance.

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

12

"Tax Collector" shall mean the Tax Collector of Charlotte County, Florida, or the person succeeding to such officer's principal functions.

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

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

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

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

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

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

"Uniform Method" shall mean the uniform method for the levy, collection and enforcement of Special Assessments afforded by Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, or any successor statutes.

"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.

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

**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.

14

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

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

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

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

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

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

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

13

## 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, as may be provided in such Supplemental Indenture, and 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 (a) of Section 902 hereof, the payment of interest and principal or Redemption Price or Amortization Installments pursuant hereto shall be made by the Paying Agent to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of a Bond. Any payment of principal, Maturity Amount or Redemption Price shall be made only upon presentation of the Bond at the designated corporate trust office of the Paying Agent in Orlando, Florida; provided, however there shall be no need to present if the Bonds are held under DTC's book-entry only system. 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 delivery of written notice 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, or, if less than such amount, all of the Outstanding Bonds of a Series, in aggregate principal amount of the Bonds). Unless otherwise provided in the Supplemental

15

Indenture authorizing a Series of Bonds, interest on a Series of Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

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

16

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 District.

Payment to the Trustee of the purchase price of a Series of Bonds upon its issuance shall be conclusive evidence upon which the Trustee can rely of satisfaction of the foregoing conditions.

To the extent not set forth in the Supplemental Indenture authorizing the issuance of a Series of Bonds, the proceeds (including accrued interest and any premium) of each Series of Bonds shall be applied as soon as practicable upon delivery thereof to the Trustee as follows:

(i) the amount received as accrued interest on the Bonds, 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;

(ii) an amount equal to the Series Reserve Account Requirement, if applicable, 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 canceled and cause to be authenticated and delivered, in exchange therefor, at the place designated by the Owner, without expense to the Owner, definitive Bonds of the same Series and in the same aggregate principal amount, maturing on the same date and bearing interest or yield to maturity at the same rate as the temporary Bond surrendered. Until so exchanged, the temporary Bonds shall in all respects

18

**Section 206. Special Obligations.** Each Series of Bonds shall be a special and direct obligation of the District. Neither the Bonds nor the interest and premium, if any, payable thereon shall constitute a general obligation or general indebtedness of the District within the meaning of the Constitution and laws of Florida. The Bonds and the interest and premium, if any, payable thereon do not constitute either a pledge of the full faith and credit of the District or a lien upon any property of the District other than as provided herein or in the Supplemental Indenture authorizing the issuance of such Series of Bonds. No Owner or any other person shall ever have the right to compel the exercise of any ad valorem taxing power of the District or any other public authority or governmental body to pay Debt Service or to pay any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds. Rather, Debt Service and any other amounts required to be paid pursuant to this Master Indenture, any Supplemental Indenture, or the Bonds, shall be payable solely from, and shall be secured solely by, the Series Pledged Revenues and the Series Pledged Funds pledged to such Series of Bonds, all as provided herein and in such Supplemental Indenture.

**Section 207. Authorization of Bonds.** There shall be issued from time to time in Series, under and secured by this Master Indenture, Bonds without limitation as to aggregate principal amount for the purposes of: (i) paying all or part of the Cost of a Project or Projects or refunding an Outstanding Series of Bonds or any portion thereof; (ii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds; (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 which, and the amounts in which, such Series of Bonds will mature (provided that the final maturity date of such Series of Bonds shall be not later than permitted by the Act with respect to such Series of Bonds), designating the Paying Agent and Bond Registrar, fixing the Amortization Installments, if any, for the Term Bonds of such Series, awarding the Series of Bonds, specifying the interest rates or the method for calculating such interest rates with respect to such Series of Bonds, specifying the redemption provisions and prices thereupon, specifying other details of such Series of Bonds, and directing the delivery of such Series of Bonds to or upon 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

17

be entitled to the same benefits of this Master Indenture and any Supplemental Indenture as the definitive Bonds to be issued hereunder.

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

**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. 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 and unless the Trustee accepts in writing such duties and obligations.

19

**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.

**Section 213. Qualification for the Depository Trust Company.** To the extent provided in a Supplemental Indenture or authorized and directed by a Resolution of the District authorizing the issuance of a Series of Bonds, the Trustee shall be authorized to enter into agreements with The Depository Trust Company, New York, New York ("DTC") and other depository trust companies, including, but not limited to, agreements necessary for wire transfers of interest and principal payments with respect to the Bonds, utilization of electronic book entry data received from DTC, and other depository trust companies in place of actual delivery of Bonds and provision of notices with respect to Bonds registered by DTC and other depository trust companies (or any of their designees identified to the Trustee) by overnight delivery, courier service, telegram, teletype or other similar means of communication.

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

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

Principal and interest on the Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.

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

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

20

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

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

**Section 302. Notice of Redemption; Procedure for Selection.** The District shall establish each redemption date, other than in the case of a mandatory redemption, in which case the Trustee shall establish the redemption date, and the District or the Trustee, as the case may be, shall notify the Bond Registrar in writing of such redemption date on or before the forty-fifth (45th) day next preceding the date fixed for redemption, which notice shall set forth the terms of the redemption and the aggregate principal amount of Bonds so to be redeemed. Except as provided below, notice of redemption shall be given by the Bond Registrar not less than thirty (30) nor more than forty-five (45) days prior to the date fixed for redemption by first-class mail, postage prepaid, to any Paying Agent for the Bonds to be redeemed and to the registered Owner of each Bond to be redeemed, at the address of such registered Owner on the registration books maintained by the Bond Registrar (and, for any Owner of \$1,000,000 or more in the principal amount of Bonds, to one additional address if written request therefor is provided to the Bond Registrar prior to the Record Date); and a second notice of redemption shall be sent by registered or certified mail at such address to any Owner who has not submitted his Bond to the Paying Agent for payment on or before the date sixty (60) days following the date fixed for redemption of such Bond, in each case stating: (i) the numbers of the Bonds to be redeemed, by giving the individual certificate number of each Bond to be redeemed (or stating that all Bonds between two stated certificate numbers, both inclusive, are to be redeemed or that all of the Bonds of one or more maturities have been called for redemption); (ii) the CUSIP numbers of all Bonds being redeemed; (iii) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed; (iv) the date of issue of each Bond as originally issued and the complete official name of the Bonds including the series designation; (v) the rate or rates of interest borne by each Bond being redeemed; (vi) the maturity date of each Bond being redeemed; (vii) the place or places where amounts due upon such redemption will be payable; and (viii) the notice date, redemption date, and redemption price. The notice shall require that such Bonds be surrendered at the designated corporate trust office of the Paying Agent for redemption at the redemption price and shall state that further interest on such Bonds will not accrue from and after the redemption date. CUSIP number identification with appropriate dollar amounts for each CUSIP number also shall accompany all redemption payments.

22

TO INDIRECT PARTICIPANTS, AND DTC PARTICIPANTS AND INDIRECT PARTICIPANTS SHALL BE RESPONSIBLE FOR NOTICES TO BENEFICIAL OWNERS.

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

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

### ARTICLE III REDEMPTION OF BONDS

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

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

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

21

Any required notice of redemption also shall be sent by registered mail, overnight delivery service, teletype or other secure means, postage prepaid, to any Owner of \$1,000,000 or more in aggregate principal amount of Bonds to be redeemed, to certain municipal registered securities depositories in accordance with the then-current guidelines of the Securities and Exchange Commission which are known to the Bond Registrar to be holding Bonds thirty-two (32) days prior to the redemption date, and to EMMA or the then current repositories established by the MSRB, 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.

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 and conditions, if any, to redemption being satisfied or waived, the Bonds called for redemption shall be due and payable at the redemption price provided for the redemption of such Bonds on such date and, moneys for payment of the redemption price being held in a separate account by the Paying Agent in trust for the Owners of the Bonds to be redeemed, interest on the Bonds called for redemption shall cease to be entitled to any benefit under this Master Indenture, and the Owners of such Bonds shall have no rights in respect thereof, except to receive payment of the redemption price thereof, and interest, if any, accrued thereon to the redemption date, and such Bonds shall no longer be deemed to be Outstanding.

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

### ARTICLE IV ACQUISITION AND CONSTRUCTION FUND

**Section 401. Acquisition and Construction Fund.** There is created and established by Section 502 hereof a fund designated as the "Acquisition 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.** Payments of the Cost of constructing and acquiring a 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

23

transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in Section 503(b) hereof.

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

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

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

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

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

(v) **Other Professional Fees and Miscellaneous Expenses.** All legal, architectural, engineering survey, and consulting fees, as well as all financing charges, taxes, insurance

24

#### 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 established and shall be held by the Trustee:

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

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

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

- (i) a Series Interest Account,
- (ii) a Series Principal Account,
- (iii) a Series Sinking Fund Account,
- (iv) a Series Redemption Account and therein a Prepayment Subaccount and an Optional Redemption Subaccount, and
- (v) a Capitalized Interest Account

26

premiums, and miscellaneous expenses, not specifically referred to in this Master Indenture that are incurred in connection with the acquisition and construction of the Series Project.

- a) Expenses of determining the feasibility or practicality of acquisition, construction, installation, or reconstruction.
- b) Costs of surveys, estimates, plans and specifications.
- c) Costs of improvements.
- d) Financing charges.
- e) Creation of initial reserve and debt service funds.
- f) Working capital.
- g) Amounts to repay temporary or bond anticipation notes or loans made to finance any costs permitted under the Act.
- h) Costs incurred to enforce remedies against contractors, subcontractors, any provider of labor, material, services or any other person for a default or breach under the corresponding contract, or in connection with any dispute.
- i) Premiums for contract bonds and insurance during construction and costs on account of personal injuries and property damage in the course of construction and insurance against the same.
- j) Expenses of Project management and supervision.
- k) Costs of effecting compliance with any and all governmental permits relating to the Series Project.
- l) Any other "cost" or expense as provided by the Act.

(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 printed in the Supplemental Indenture, and used for the purposes set forth for such Account in the Supplemental Indenture relating to such Series of Bonds.

25

for each such series of Bonds issued hereunder;

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

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

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

#### Section 503. Acquisition and Construction Fund.

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

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

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

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

Upon receipt of each such requisition and accompanying certificate the Trustee shall promptly withdraw from the Series Acquisition and Construction Account and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The

27

Trustee shall have no duty to investigate the accuracy or validity of the items delivered pursuant to this Section 503(b).

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

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

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

**Section 505. Debt Service Fund and Series Debt Service Account.**

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

(i) to the credit of the related Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein will equal the amount of interest payable on the Bonds of such Series on such Interest Payment Date;

(ii) to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein will equal the principal amount, if any, payable with respect to Serial Bonds of such Series on such Interest Payment Date;

(iii) in each Bond Year in which Term Bonds of such Series are subject to mandatory redemption from Amortization Installments, to the related Series Sinking Fund Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Amortization Installment payable on the Term Bonds of such Series on such Interest Payment Date;

(iv) in each Bond Year in which Capital Appreciation Bonds of such Series mature to the related Series Principal Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the Maturity Amount payable with respect to the Capital Appreciation Bonds of such Series maturing on such Interest Payment Date;

28

Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series and to redeem Term Bonds of such Series that are subject to mandatory redemption from Amortization Installments, as the case may be.

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

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

**Section 506. Optional Redemption.**

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

(b) **Purchase of Bonds of a Series.** The District may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Bonds plus the amount of the premium, if any, which would be payable on the next redemption date to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds was issued if such Bonds were called for

30

(v) to the credit of the Series Reserve Account, an amount, if any, which, together with the amount then on deposit therein, will equal the Series Reserve Account Requirement; and

(vi) to the credit of the Series Rebate Account the Rebate Amount, if any, required to be deposited therein pursuant to the Supplemental Indenture related to a Series of Tax Exempt Bonds.

Notwithstanding the foregoing, so long as there are moneys on deposit in the related Series Capitalized Interest Account on the date required for any transfer into the Series Interest Account as set forth above, the Trustee shall, prior to making any transfer into the related Series Interest Account from the related Series Revenue Account, transfer to the related Series Interest Account from the related Series Capitalized Interest Account, the lesser of the interest on such Series of Bonds coming due on the next succeeding Interest Payment Date or the amount remaining on deposit in the related Series Capitalized Interest Account.

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

(c) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall be used for the purpose of paying (i) 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 and (ii) amounts owed under Section 604 hereof.

(d) **Series Debt Service Account.** Moneys held for the credit of a Series Principal Account and Series Interest Account in a Series Debt Service Account shall be withdrawn therefrom by the Trustee and transferred by the Trustee to the Paying Agent in amounts and at times sufficient to pay, when due, the interest on the Bonds of such Series, the principal of Serial

29

redemption on such date. Before making each such purchase, the District shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation, which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller and the place of delivery of the Bonds. The Trustee shall pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account and the principal portion of the purchase price of Serial Bonds from the related Series Principal Account, but no such purchase shall be made after the Record Date in any Bond Year in which Bonds have been called for redemption. To the extent that insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account to pay the principal amount of the purchase price of any Serial Bond, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts. In the event that there are insufficient moneys on deposit in the related Series Principal Account with which to pay the principal portion of the purchase price of any Term Bonds, the Trustee may, at the written direction of the District, transfer moneys into such related Series Principal Account from the related Series Revenue Account to pay the principal amount of such purchase price, but only in an amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year calculated after giving effect to any other purchases of Term Bonds during such Bond Year. The Trustee may pay the principal portion of the purchase price of Bonds from the related Series Redemption Account, but only upon delivery of written instructions from an Authorized Officer to the Trustee by the District accompanied by a certificate of an Authorized Officer: (i) stating that sufficient moneys are on deposit in the Redemption Account to pay the purchase price of such Bonds; (ii) setting forth the amounts and maturities of Bonds of such Series which are to be redeemed from such amounts; and (iii) containing cash flows which demonstrate that, after giving effect to the purchase of Bonds in the amounts and maturities set forth in clause (ii) above, the Pledged Revenues to be received by the District in the current and each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of an interest on all Bonds of such Series. The Trustee may pay the principal portion of the purchase price of any Term Bonds from the related Series Principal Account, but only Term Bonds of a maturity having Amortization Installments in the current Bond Year and in the principal amount no greater than the Amortization Installment related to such Series of Bonds coming due in the current Bond Year (calculated after giving effect to any other purchases of Term Bonds during such Bond Year). The Trustee may pay the principal portion of the purchase price of Term Bonds having maturities different from or in amounts greater than set forth in the next preceding sentence from amounts on deposit in the related Series Principal Account and the Trustee may transfer moneys from the related Series Revenue Account to the related Series Principal Account for such purpose, but only upon delivery of written instructions from an Authorized Officer to the Trustee accompanied by a certificate of an Authorized Officer: (i) stating that sufficient moneys are on deposit in the Series Principal Account, after giving effect to any transfers from the related Series Revenue Account, to pay the principal portion of the purchase price of such Term Bonds; (ii) setting forth the amounts and maturities of Term Bonds of such Series which are to be redeemed from such amounts and the Amortization Installments against which the principal amount of such purchases are to be credited; and (iii) containing cash flow which demonstrate that, after giving effect to the purchase of Term Bonds in the amounts and having the maturities and with the credits against Amortization

31

Installments set forth in clause (ii) above and any transfers from the related Series Revenue Account, the Pledged Revenues to be received by the District in the current and in each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. If any Bonds are purchased pursuant to this Subsection (b), the principal amount of the Bonds so purchased shall be credited as follows:

- (i) if the Bonds are to be purchased from amounts on deposit in the Prepayment Subaccount of a Series Redemption Account, against the principal coming due or Amortization Installments set forth in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or
- (ii) if the Bonds are Term Bonds of a Series, against the Amortization Installment for Bonds of such Series first coming due in the current Bond Year, or, if such Term Bonds so purchased are to be credited against Amortization Installments coming due in any succeeding Bond Year, against the Amortization Installments on Term Bonds of such Series maturing on the same date and designated in the certificate of the Authorized Officer accompanying the direction of the District to effect such purchase; or
- (iii) against the principal or Maturity Amount of Serial Bonds coming due on the maturity date of such Serial Bond.

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

- (a) **Creation.** There is hereby created and established a Rebate Fund, and within the Rebate Fund a Series Rebate Account for each Series of Tax Exempt Bonds. Moneys deposited and held in the Rebate Fund shall not be subject to the pledge of this Master Indenture.
- (b) **Payment to United States.** The Trustee shall pay to the District upon written request of the District, the Rebate Amount required to be paid to the United States at the times, in the manner and as calculated in accordance with the Supplemental Indenture related to a Series of Tax Exempt Bonds. The Trustee shall have no responsibility for computation of the Rebate Amount and instead the District shall cause the Rebate Amount to be calculated by the Rebate Analyst and shall cause the Rebate Analyst to deliver such computation to the Trustee as provided in the Supplemental Indenture related to a Series of Tax Exempt Bonds but before the date of any required payment of the Rebate Amount to the Internal Revenue Service. The fees of, and expenses incurred by, the Rebate Analyst in computing the Rebate Amount shall be paid by the District, which amount shall be treated as administrative and operating expenses of the District payable or reimbursable from the Series Revenue Account in accordance with Section 505(b) hereof.
- (c) **Deficiencies.** If the Trustee does not have on deposit in the Series Rebate Account sufficient amounts to make the payments required by this Section, the District shall pay, from any legally available source, the amount of any such deficiency to the United States as in paragraph (b) above provided the Trustee shall have no obligation to pay such amounts from its own funds.
- (d) **Survival.** The covenants and agreements of the District in this Section 507 and Section 809, and, any additional covenants related to compliance with provisions necessary in

value at the market value or the amortized cost thereof, whichever is lower, or at the redemption price thereof, to the extent that any such obligation is then redeemable at the option of the holder. For the purpose of determining the amount on deposit to the credit of a Series Reserve Account, obligations in which money in such Account shall have been invested shall be valued at par, if purchased at par, or at amortized cost, if purchased at other than par, plus, in each case, accrued interest. Amortized cost, when used with respect to an obligation purchased at a premium above or a discount below par, means the value as of any given time obtained by dividing the total premium or discount at which such obligation was purchased by the number of days remaining to maturity on such obligation at the date of such purchase and by multiplying the amount thus calculated by the number of days having passed since such purchase; and (1) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (2) in the case of an obligation purchased at a discount by adding the product thus obtained to the purchase price.

**Section 509. Deficiencies and Surpluses in Funds.** For purposes of this Section: (a) a "deficiency" shall mean, in the case of a Series Reserve Account, that the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein is less than the Series Reserve Account Requirement (but only after the Bond Year in which the amount on deposit therein first equals the Series Reserve Account Requirement), and (b) a "surplus" shall mean in the case of a Series Reserve Account, that the amount on deposit therein is in excess of the applicable 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(d), the value of the Series Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such Series Reserve Account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in the Series Reserve Account, from any legally available sources of the District. The Trustee, as soon as practicable after such computation, shall deposit any surplus, at the direction of an Authorized Officer, to the credit of the Series Redemption Account or the Series Principal Account.

**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.

order to preserve the exclusion of interest on the Bonds of a Series from gross income for Federal income tax purposes shall survive the defeasance of the Bonds of such Series in accordance with Article XII hereof.

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

- (a) **Series Acquisition and Construction Account, Revenue Account and Debt Service Account.** Moneys held for the credit of a Series Acquisition and Construction Account, the Series Revenue Account, and the Series Debt Service Account shall, as nearly as may be practicable, be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer, which Investment Obligations shall mature, or shall be subject to redemption by the holder thereof at the option of such holder, not later than the respective dates, as estimated by an Authorized Officer, when moneys held for the credit of each such Series Account will be required for the purposes intended.
- (b) **Series Reserve Account.** Moneys held for the credit of a Series Reserve Account shall be continuously invested and reinvested by the Trustee in Investment Obligations as directed in writing by an Authorized Officer.
- (c) **Investment Obligations as a Part of Funds and Accounts.** Investment Obligations purchased as an investment of moneys in any Fund or Account shall be deemed at all times to be a part of such Fund or Account, and the interest accruing thereon and profit realized from such investment shall be credited as provided in Section 510 hereof. Any loss resulting from such investment shall be charged to such Fund or Account. The foregoing notwithstanding, for purposes of investment and to the extent permitted by law, amounts on deposit in any Fund or Account may be commingled for purposes of investment, provided adequate care is taken to account for such amounts in accordance with the prior sentence. The Trustee may, upon the 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 necessary so to do in order to provide moneys to meet any payment or transfer from any such Fund or Account. The Trustee shall not be liable or responsible for any loss resulting from any such investment or for failure to make an investment (except failure to make an investment in accordance with the written direction of an Authorized Officer) or for failure to achieve the maximum possible earnings on investments. The Trustee shall have no obligation to invest funds without written direction from an Authorized Officer.
- (d) **Valuation.** In computing the value of the assets of any Fund or Account, investments and earnings thereon shall be deemed a part thereof. The Trustee shall value the assets in each of the Funds and Accounts established hereunder as of September 30 of each Fiscal Year, and as soon as practicable after each such valuation date (but no later than ten (10) days after each such valuation date) shall provide the District a report of the status of each Fund and Account as of the valuation date. For the purpose of determining the amount on deposit to the credit of any Fund or Account established hereunder, with the exception of a Series Reserve Account, obligations in which money in such Fund or Account shall have been invested shall be

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

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

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

**ARTICLE VI  
CONCERNING THE TRUSTEE**

**Section 601. Acceptance of Trust.** The Trustee accepts and agrees to execute the trusts hereby created, but only upon the additional terms set forth in this Article, to all of which the parties hereto and the Owners agree. The Trustee shall have only those duties expressly set forth herein, and no duties shall be implied against the Trustee.

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

**Section 603. Trustee May Act Through Agents; Answerable Only for Willful Misconduct or Gross Negligence.** The Trustee may execute any powers hereunder and perform any duties required of it through attorneys, agents, officers or employees, and shall be entitled to advice of counsel concerning all questions hereunder, and the Trustee shall not be answerable for the default or misconduct of any attorney, agent or employee selected by it with reasonable care. In performance of its duties hereunder, the Trustee may rely on the advice of counsel and shall not be held liable for actions taken in reliance on the advice of counsel. The Trustee shall not be answerable for the exercise of any discretion or power under this Master Indenture or any



Supplemental Indenture nor for anything whatever in connection with the trust hereunder, except only its own gross negligence or willful misconduct.

**Section 604. Compensation and Indemnity.** The District shall pay the Trustee reasonable compensation for its services hereunder, and also all its reasonable expenses and disbursements, including the reasonable fees and expenses of Trustee's counsel, and to the extent permitted under Florida law shall indemnify the Trustee and hold the Trustee harmless against any liabilities which it may incur in the exercise and performance of its powers and duties hereunder except with respect to its own negligence or misconduct. The Trustee shall have no duty in connection with its responsibilities hereunder to advance its own funds nor shall the Trustee have any duty to take any action hereunder without first having received indemnification satisfactory to it. If the District defaults in respect of the foregoing obligations, the Trustee may deduct the amount owing to it from any moneys received or held by the Trustee under this Master Indenture or any Supplemental Indenture and payable to the District other than moneys from a Credit Facility or a Liquidity Facility. This provision shall survive termination of this Master Indenture and any Supplemental Indenture, and as to any Trustee, its resignation or removal thereof. As security for the foregoing, the District hereby grants to the Trustee a security interest in and to the amounts of deposit in all Series Funds and Accounts (other than the Rebate Fund) thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 905(a) upon the occurrence of an Event of Default.

**Section 605. No Duty to Renew Insurance.** The Trustee shall be under no duty to effect or to renew any insurance policy nor shall it incur any liability for the failure of the District to require or effect or renew insurance or to report or file claims of loss thereunder.

**Section 606. Notice of Default; Right to Investigate.** The Trustee shall give written notice, as soon as practicable, by first-class mail to registered Owners of Bonds of all Events of Default of which the Trustee has actual knowledge, unless such defaults have been remedied or if the Trustee based upon the advice of counsel upon which the Trustee is entitled to rely, determines that the giving of such notice is not in the best interests of the Owners of the Bonds. The Trustee will be deemed to have actual knowledge of any payment default under this Master Indenture or under any Supplemental Indenture and, after receipt of written notice thereof by a Credit Facility issuer or a Liquidity Facility issuer of a default under its respective reimbursement agreement, but shall not be deemed to have actual knowledge of any other default unless notified in writing of such default by the Owners of at least 25% in aggregate principal amount of the Outstanding Bonds. The Trustee may, however, at any time require of the District full information as to the performance of any covenant hereunder, and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the District, an investigation into the affairs of the District.

**Section 607. Obligation to Act on Default.** Before taking any action under this Master Indenture or any Supplemental Indenture in respect of an Event of Default, the Trustee may require that a satisfactory indemnity bond be furnished for the reimbursement of all expenses to

36

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; provided that no Event of Default has occurred hereunder and is continuing, or upon the application of 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, including the name and address of the applicable corporate trust office of the successor Trustee, 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 the District shall not appoint a successor Trustee if an Event of Default has occurred and is continuing, unless the District shall have received the prior written consent, which consent shall not be unreasonably withheld, of any Credit Facility issuer, and any Liquidity Facility issuer, to the appointment of such successor Trustee. If an Event of Default has occurred hereunder and is continuing and 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 a successor may be appointed by any court of competent jurisdiction upon the application of the Owners of not less than twenty percent (20%) in aggregate principal amount of the Bonds then Outstanding and such successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, 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.

**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.

**Section 615. Instruments of Succession.** Except as provided in Section 616 hereof, any successor Trustee shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder; and thereupon such successor Trustee, without any further act, deed, or conveyance, shall become fully vested with all the estates, properties, rights, powers, trusts, duties and obligations of its predecessor in trust hereunder, with like effect as if originally named Trustee herein. After withholding from the funds on hand any amounts owed to itself hereunder, the Trustee ceasing to act hereunder shall pay over to the successor Trustee all moneys held by it hereunder; and the Trustee ceasing to act and the District shall execute and deliver an instrument or instruments transferring to the successor Trustee all the estates, properties, rights, powers and trusts hereunder of the Trustee ceasing to act except for the rights granted under Section 604 hereof. The successor Trustee shall mail notice of its appointment, including the name and address of the applicable corporate trust office of the successor Trustee, 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.

**Section 616. Merger of Trustee.** Any corporation into which any Trustee hereunder may be merged or with which it may be consolidated or into which all or substantially all of its

38

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, opinion, 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.

**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, upon application of the District; provided, however, that if an Event of Default has occurred hereunder and is continuing with respect to a Series of Bonds, then the Trustee hereunder may be removed only by an instrument appointing a successor to the Trustee so removed executed by the Majority Owners of the Series as to which Event of Default exists and filed with the Trustee and the District.

The Trustee may also be removed at any time for any breach of trust or for acting or proceeding in violation of, or for failing to act or proceed in accordance with, any provision of

37

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

**Section 618. Removal of Paying Agent or Bond Registrar.** The Paying Agent or Bond Registrar may be removed at any time prior to any Event of Default by the District by filing with the Paying Agent or Bond Registrar to be removed, and with the Trustee, an instrument or instruments in writing executed by an Authorized Officer appointing a successor. Such removal shall be effective thirty (30) days (or such longer period as may be set forth in such instrument) after delivery of the instrument; provided, however, that no such removal shall be effective until the successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder.

**Section 619. Appointment of Successor Paying Agent or Bond Registrar.** In case at any time the Paying Agent or Bond Registrar shall be removed, or be dissolved, or if its property or affairs shall be taken under the control of any state or federal court or administrative body because of insolvency or bankruptcy, or for any other reason, then a vacancy shall forthwith and ipso facto exist in the office of the Paying Agent or Bond Registrar, as the case may be, and a successor shall be appointed by the District; and in case at any time the Paying Agent or Bond Registrar shall resign, then a successor shall be appointed by the District. Upon any such appointment, the District shall give written notice of such appointment to the predecessor Paying Agent or Bond Registrar, the successor Paying Agent or Bond 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

39

(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.** Except as provided in Section 622 hereof, any successor Paying Agent or Bond Registrar appointed hereunder shall execute, acknowledge and deliver to the District an instrument accepting such appointment hereunder, and thereupon such successor Paying Agent or Bond Registrar, without any further act, deed or conveyance, shall become duly vested with all the estates, property, rights, powers, duties and obligations of its predecessor hereunder, with like effect as if originally named Paying Agent or Bond Registrar herein. Upon request of such Paying Agent or Bond Registrar, such predecessor Paying Agent or Bond Registrar and the District shall execute and deliver an instrument transferring to such successor Paying Agent or Bond Registrar all the estates, property, rights and powers hereunder of such predecessor Paying Agent or Bond Registrar and such predecessor Paying Agent or registrar shall pay over and deliver to the successor Paying Agent or Bond Registrar all moneys and other assets at the time held by it hereunder.

**Section 622. Successor by Merger or Consolidation.** Any corporation into which any Paying Agent or Bond Registrar hereunder may be merged or converted or with which it may be consolidated or into which substantially all of its corporate trust 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.

**Section 623. 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 624. 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.

40

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

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

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

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

42

## ARTICLE VII FUNDS CONSTITUTE TRUST FUNDS

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

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

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

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

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

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

## ARTICLE VIII COVENANTS AND AGREEMENTS OF THE DISTRICT

**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.

41

disposed of as hereinabove provided for the proceeds of the sale or disposal of movable property. The proceeds of any lease as described above shall be deposited to the credit of the related Series Principal Account or Redemption Account.

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

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

### Section 808. Reports.

(a) **Annual Report.** The District shall, within thirty days of receipt and approval by the District, so long as any Bonds are Outstanding, deliver to each Requesting Owner (hereinafter defined), and otherwise as provided by law, a copy of its annual audit for such year, accompanied by an Accountant's Certificate, including: (a) statements in reasonable detail of its financial condition as of the end of such Fiscal Year and income and expenses for such Fiscal Year, and (b) statements of all receipts and disbursements of the Pledged Revenues of each Series of Bonds (unless the Pledged Revenues of such Series are remitted directly to the Trustee). The Trustee shall, within ninety (90) days after the close of each Fiscal Year so long as any Bonds are Outstanding, file with the District a summary with respect to each Fund and Account of the deposits thereto and disbursements therefrom during such Fiscal Year and the amounts held therein at the end of such Fiscal Year, or at the option of the Trustee, such summary can be made on a monthly basis. For purposes of the foregoing, the term "Requesting Owner" shall mean the Owner (or beneficial owner in the case of book-entry Bonds) of more than \$1,000,000 aggregate principal amount of any Series of Bonds who requests such information in writing to the District.

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

43

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

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

**Section 810. Enforcement of Payment of Assessment.** The District will assess, levy, collect or cause to be collected and enforce the payment of Assessments, Benefit Special Assessments, and/or any other sources which constitute Pledged Revenues for the payment of any Series of Bonds in the manner prescribed by this Master Indenture, any Supplemental Indenture and all resolutions, ordinances or laws thereunto appertaining at times and in amounts as shall be necessary in order to pay, when due, the principal of and interest on the Series of Bonds to which such Pledged Revenues are pledged; and to pay or cause to be paid the proceeds of such Assessments as received to the Trustee in accordance with the provisions hereof.

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

**Section 812. Delinquent 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 Assessments, shall be enforced in accordance with the provisions of the Act and Chapters 170 and/or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deed as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable or unavailable, then upon the delinquency of any Assessment or Benefit Special Assessments, the District either on its own behalf, or through the actions of the Trustee may, and shall, if so directed in writing by the Majority Owners of the Outstanding Bonds of the Series, 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 17 of the Act and/or 170.10, Florida Statutes, or otherwise as provided by law. The District further covenants to furnish, at its expense, to any Owner of Bonds of the related Series so requesting, sixty (60) days after the due date of each

44

**Section 816. Re-Assessments.** If any Assessments or Benefit Special Assessments shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Assessments or Benefit Special Assessments is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessments or Benefit Special Assessments when it might have done so, the District shall either: (i) take all necessary steps to cause a new Assessment or Benefit Special Assessment to be made for the whole or any part of such improvement or against any property 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.

**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.

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

46

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.

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

**Section 814. Sale of Tax Deed or Foreclosure of Assessment or Benefit Special Assessment Lien.** If any property shall be offered for sale for the nonpayment of any Assessment, which is pledged to a Series of Bonds, and no person or persons shall purchase such property for an amount less than or equal to the full amount due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount equal to the balance due on the Assessments or Benefit Special Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), from any legally available funds of the District and the District shall receive in its corporate name or in the name of a special purpose entity 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; provided that the Trustee shall have the right, acting at the direction of the Majority Owners of the applicable Series of Bonds secured by such Assessment or Benefit Special Assessment, but shall not be obligated, to direct the District with respect to any action taken pursuant to this paragraph. 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 related Series Revenue Account. Not less than ten (10) days prior to the filing of any foreclosure action as herein provided, the District shall cause written notice thereof to be mailed to any designated agents of the Owners of the related Series of Bonds. Not less than thirty (30) days prior to the proposed sale of any lot or tract of land acquired by foreclosure by the District, it shall give written notice thereof to such representatives. The District, either through its own actions, or actions caused to be taken through the Trustee, agrees that it shall be required to take the measures provided by law for the listing for sale of property acquired by it as trustee for the benefit of the Owners of the related Series of Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners of the Outstanding Bonds of such Series.

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

45

## ARTICLE IX EVENTS OF DEFAULT AND REMEDIES

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

**Section 902. Events of Default.** Each of the following events is hereby declared an Event of Default with respect to a Series of Bonds, but no other Series of Bonds unless otherwise provided in the Supplemental Indenture relating to such Series:

- (a) Any payment of Debt Service on such Series of Bonds is not made when due;
- (b) The District shall for any reason be rendered incapable of fulfilling its obligations hereunder or under the Supplemental Indenture relating to such Series of Bonds;
- (c) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of a related Series Project;
- (d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;
- (e) The District shall file a petition or answer seeking reorganization or any arrangement under the Federal bankruptcy laws or any other applicable law or statute of the United States of America or any state thereof;
- (f) Under the provisions of any other law for the relief or aid of debtors, any court of competent jurisdiction shall assume custody or control of the District's assets or any part thereof, and such custody or control shall not be terminated within ninety (90) days from the date of assumption of such custody or control;
- (g) Any portion of the Assessments pledged to a Series shall have become Delinquent Assessments and, as the result thereof, the Indenture provides for the Trustee to withdraw funds in an amount greater than twenty-five percent (25%) of the amount on deposit in a Series Reserve Account to pay Debt Service on the corresponding Series of Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the Series Reserve Account to pay Debt Service on the corresponding Series of Bonds);

47

(h) Material breach by the District of any material covenant made by it in the Indenture securing a Series of Bonds, whether or not notice of such breach has been given; and

(i) More than twenty percent (20%) of the Maintenance Special Assessments levied by the District on tax parcels subject to Assessments pledged to a Series of Bonds are not paid by the date such are due and payable.

**Section 903. Acceleration of Maturities of Bonds of a Series Under Certain Circumstances.** Upon the happening and continuance of any Event of Default specified Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Majority Owners of such Series then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Bond of such Series then Outstanding (if not then due and payable) to be due and payable immediately and, upon such declaration, the same shall become and be immediately due and payable, anything contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture authorizing such Series to the contrary notwithstanding; provided, however, that no such declaration of acceleration shall occur in the case of Bonds of a Series secured by Assessments, except to the extent that the Assessments have been accelerated and are currently due and payable in accordance with applicable law; and provided further, however, that if at any time after the aggregate principal amount of the Bonds of any Series then Outstanding shall have been so declared to be due and payable, and before the entry of final judgment or decree in any suit, action or proceeding instituted on account of such default, or before the completion of the enforcement of any other remedy under this Master Indenture or the related Supplemental Indenture, moneys shall have accumulated in the related Series Revenue Account sufficient to pay the principal of all matured Bonds of such Series and all arrears of interest, if any, upon all Bonds of such Series then Outstanding (except the aggregate principal amount of any Bonds of such Series then Outstanding that is only due because of a declaration under this Section, and except for the interest accrued on the Bonds of such Series since the last Interest Payment Date), and all amounts then payable by the District hereunder shall have been paid or a sum sufficient to pay the same shall have been deposited with the Paying Agent, and every other default (other than a default in the payment of the aggregate principal amount of the Bonds of such Series then Outstanding that is due only because of a declaration under this Section) shall have been remedied, then the Trustee or, if the Trustee is unable or unwilling to act, the Majority Owners of such Series then Outstanding not then due except by virtue of a declaration under this Section, may, by written notice to the District, rescind and annul such declaration and its consequences, but no such rescission or annulment shall extend to or affect any subsequent default or impair any right consequent thereon.

**Section 904. Enforcement of Remedies.** Upon the happening and continuance of any Event of Default specified in Section 902 above with respect to a Series of Bonds, the Trustee may protect and enforce the rights of the Owners of the Bonds of such Series under Florida law, and under this Master Indenture, the related Supplemental Indenture and the Bonds of such Series, by such proceedings in equity or at law, either for the specific performance of any covenant or agreement contained herein or in aid or execution of any power herein or in the related Supplemental Indenture granted or for the enforcement of any proper legal or equitable remedy, as the Trustee shall deem most effectual to protect and enforce such rights.

48

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

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

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

Second: to payment to the persons entitled thereto of all installments of interest then due and payable on the Bonds of such Series, in the order in which such installments become due and payable and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the persons entitled thereto, without any discrimination or preference except as to any difference in the rates of interest specified in the Bonds of such Series; and

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

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

(c) If the principal of all the Bonds of a Series shall have been declared due and payable pursuant to the provisions of Section 903 of this Article, and if such declaration shall

50

The Majority Owners of the Bonds of such Series then Outstanding shall, subject to the requirements of Section 607, have the right, by an instrument or instruments in writing executed and delivered to the Trustee, to direct the method and place of conducting all remedial proceedings by the Trustee hereunder, provided that such directions shall not be in conflict with any rule of law or this Master Indenture and that the Trustee shall have the right to decline to follow any such direction which in the opinion of the Trustee would be unduly prejudicial to the rights of the Owners of such Series of Bonds not parties to such direction or would subject the Trustee to personal liability or expense. Notwithstanding the foregoing, the Trustee shall have the right to select and retain legal counsel of its choosing to represent it in any such proceedings. The Trustee may take any other action which is not inconsistent with any direction under this second paragraph of this Section 904.

No Owner of such Series of Bonds shall have any right to pursue any other remedy under this Master Indenture or such Series of Bonds unless: (1) an Event of Default shall have occurred and is continuing; (2) the Majority Owners of such Series Outstanding have requested the Trustee, in writing, to exercise the powers granted in this first paragraph of this Section 904 or to pursue such remedy in its or their name or names; (3) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (4) the Trustee has declined to comply with such request, or has failed to do so, within sixty (60) days after its receipt of such written request and offer of indemnity; and (5) no direction inconsistent with such request has been given to the Trustee during such 60-day period by the Majority Owners of such Series Outstanding. The provisions of this immediately preceding sentence of this Section 904 are conditions precedent to the exercise by any Owner of such Series of Bonds of any remedy hereunder. The exercise of such rights is further subject to the provisions of Sections 907, 909, 910 and the second paragraph of this Section 904. No one or more Owner of such Series of Bonds shall have any right in any manner whatever to enforce any right under this Master Indenture, except in the manner herein provided.

The District covenants and agrees that upon the occurrence and continuance of an Event of Default, 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 Maintenance Special Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including Delinquent Direct Maintenance Special 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, from time to time, of the Bonds of a Series. Notwithstanding anything to the contrary herein, and unless otherwise directed by the Majority Owners of the Bonds of a Series and allowed pursuant to Federal or State law, the District acknowledges and agrees that (i) upon failure of any property owner to pay an installment of Assessments collected directly by the District when due, that the entire 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, but in any event within one hundred twenty (120) days, 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 (ii) 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.

49

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

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

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

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

**Section 907. Restriction on Individual Owner Actions.** Except as provided in Section 910 below, no Owner of any of the Bonds shall have any right in any manner whatever to affect, disturb or prejudice the security of this Master Indenture or any Supplemental Indenture, or to enforce any right hereunder or thereunder except in the manner herein or therein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the Bonds of such Series.

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

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

51

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

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

**Section 912. Indemnification.** Other than to make proper draws under a Credit Facility, the Trustee shall be under no obligation to institute any suit or to take any remedial proceeding under this Master Indenture or any Supplemental Indenture or to enter any appearance or in any way defend in any suit in which it may be made defendant, or to advance its own money, or to take any steps in the execution of the trusts hereby created or in the enforcement of any rights and powers hereunder, until it shall be indemnified to its satisfaction against any and all costs and expenses, outlays and counsel fees and other reasonable disbursements, and against all liability. Notwithstanding the foregoing, the indemnification provided by this Section 912 shall not be applicable in cases of the Trustee's gross negligence or willful misconduct.

**Section 913. Provision Relating to Bankruptcy or Insolvency of Landowner.** (a) The provisions of this Section 913 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least five percent (5%) of the Assessments pledged to the Bonds of a Series 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 Bonds of a Series were issued by the District, the Owners of the Bonds of a Series are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer:

(i) the District hereby agrees that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Bonds of a Series 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 Assessments relating to the Bonds of a Series Outstanding, the Outstanding Bonds of a Series or any rights of the Trustee under the Indenture (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of a Series Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following request for consent);

52

shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (b)(iv) above.

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

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

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

**Section 1002. Deposit of Bonds.** Notwithstanding the foregoing, neither the District nor the Trustee shall be required to recognize any person as an Owner of any Bond or to take any action at his request unless such Bond shall be deposited with the Trustee (unless such Bond is held by DTC under its book-entry only system).

#### ARTICLE XI SUPPLEMENTAL INDENTURES

**Section 1101. Supplemental Indentures.** Without Owners' consent, the Governing Body from time to time may authorize such indentures supplemental hereto or amendatory hereof as shall not be inconsistent with the terms and provisions hereof (which supplemental indenture shall thereafter form a part hereof), without the consent of the Owners, for the following purposes:

- (a) to provide for the initial issuance of a Series of Bonds or refunding bonds of a Series; or
- (b) to make any change whatsoever to the terms and provisions of this Master Indenture, but only as such change relates to a Series of Bonds upon the original issuance thereof (or upon the original issuance of refunding bonds of a Series which defease and discharge the

54

(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 Assessments relating to the Bonds of a Series Outstanding, the Bonds of a Series Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District hereby agrees that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of a Series Outstanding, to the proposed action if the District does not receive a written response from the Trustee within thirty (30) days following 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 Assessments relating to the Bonds of a Series, Outstanding would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall not oppose the Trustee in seeking to exercise any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute and/or defend any claims and proofs of claims, to vote to accept or reject a plan, to seek dismissal of the Proceeding, to seek stay relief to commence or continue foreclosure or pursue any other available remedies as to the Assessments relating to the Bonds of a Series Outstanding, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer's exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to propose a competing plan of reorganization or liquidation, or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the Assessments relating to the Bonds of a Series Outstanding or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right (i) to file a proof of claim with respect to the Assessments pledged to the Bonds of a Series Outstanding, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

(c) Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Maintenance Special Assessments, and the District shall be free to pursue such a claim in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Maintenance Special Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Assessments relating to the Bonds of a Series Outstanding whether such claim is pursued by the District or the Trustee; provided, however, that the District

53

Supplemental Indenture of the Series of Bonds to be refunded) under and pursuant to the terms of the Supplemental Indenture effecting such change; or

(c) to cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Master Indenture; or

(d) to grant to the Owners or to the Trustee on behalf of the Owners any additional rights or security that may lawfully be granted; or

(e) to add to the covenants and agreements of the District in this Master Indenture other covenants and agreements thereafter to be observed by the District to the benefit of the Owners of the Outstanding Bonds; or

(f) to make such changes as may be necessary in order to reflect amendments to the Act and/or Chapters 170, 197 and 298, or other Florida Statutes, so long as, in the opinion of counsel to the District, such changes either: (a) do not have a material adverse effect on the Owners of each Series of Bonds to which such changes relate; or (b) if such changes do have a material adverse effect, that they nevertheless are required to be made as a result of such amendments; or

(g) to modify the provisions of this Master Indenture or any Supplemental indenture provided that such modification does not, in the written opinion of Bond Counsel, materially adversely affect the interests of the Owners of the Bonds Outstanding, upon which opinion the Trustee may conclusively rely.

**Section 1102. Supplemental Indentures With Owner Consent.** Subject to the provisions contained in this Section, and not otherwise, the Majority Owners 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; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds then Outstanding and affected by such supplement or amendment,

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

(b) a reduction in the principal, premium, or interest on any Bond;

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

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

In addition to the foregoing, the Majority Owners 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

55

consent to and approve the adoption of such indentures supplemental to the Supplemental Indenture relating to such Series of Bonds or amendatory thereof, but not hereof, as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of such Supplemental Indenture or of any indenture supplemental thereto; provided, however, that nothing herein contained shall permit, or be construed as permitting, without the consent of all Owners of Bonds of such Series then Outstanding and affected by such amendment,

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

If at any time the District shall determine that it is desirable to approve any Supplemental Indenture pursuant to this Section 1102, the District shall cause the Trustee to mail, 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 not otherwise, the Governing Body and the Trustee may approve such Supplemental Indenture and cause it to be executed, in substantially such form, without liability or responsibility to any Owner.

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

56

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 to the extent that the lien, benefit and security of this Master Indenture and the obligations of the District hereunder shall be limited solely to and such Bonds shall be secured solely by and be payable solely from the moneys or Federal Securities so deposited.

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

58

general equitable principles, upon which opinion the Trustee may conclusively rely. In addition, if such indenture relates to a Series of Tax Exempt Bonds, such opinion shall also state that such indenture will not adversely affect the exclusion from gross income for federal income tax purposes of interest on the related Series of Bonds.

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

**Section 1105. Insurer or Issuer of a Credit or Liquidity Facility as Owner of Bonds.** As long as a Credit or Liquidity Facility securing all or a portion of the Bonds of a Series Outstanding is in effect and the issuer thereof is not in default of any of its obligations under such 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 Majority Owners 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.

## ARTICLE XII DEFEASANCE

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

(a) If the District pays or causes to be paid, or there shall otherwise be paid, to the Owners of all Bonds the principal or Redemption Price, if applicable, and interest due or to become due thereon and the obligations under any Letter of Credit Agreement and any Liquidity Agreement, at the times and in the manner stipulated therein and in this Master Indenture and

57

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

(c) As to any Variable Rate Bonds, whether discharged and satisfied under the provisions of subsection (a) or (b) 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 Investment Obligations on deposit for the payment of interest on such Variable Rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such Variable Rate Bonds in order to fully discharge and satisfy such Bonds and obligations under Letter of Credit Agreement and any Liquidity Agreement pursuant to the provisions of this Section, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing said Variable Rate Bonds or otherwise existing under this Master Indenture or under any Letter of Credit Agreement or any Liquidity Agreement.

(d) Notwithstanding any of the provisions of this Master Indenture to the contrary, Option Bonds may only be fully discharged and satisfied either pursuant to subsection (a) above or by depositing in the Series Interest Account, the Series Principal Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of

59

the Option Bonds, as the District may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and redemption price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if, at the time a deposit is made pursuant to this subsection (d), 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 (d). If any portion of the moneys deposited for the payment of the principal of and redemption price, if any, and interest on Option Bonds is not required for such purpose and is not needed to reimburse an Insurer or an issuer of any Credit Facility or Liquidity Facility, for obligations under any Letter of Credit Agreement or any Liquidity Agreement, the District may use the amount of such excess free and clear of any trust, lien, security interest, pledge or assignment securing such Option Bonds or otherwise existing under this Master Indenture or any Letter of Credit Agreement or Liquidity Agreement.

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

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

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

60

To the District, addressed to:

Babcock Ranch Community Independent Special District  
c/o District Manager  
Fishkind & Associates, Inc.  
12051 Corporate Blvd., Orlando, FL 32817

To the Trustee, addressed to:

U.S. Bank National Association  
225 East Robinson Street  
Suite 250  
Orlando, Florida 32801  
Attention: Corporate Trust

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

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

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

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

**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; Counterparts.** 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.

This Master Indenture and any Supplemental Indenture may be executed in duplicate counterparts each of which shall constitute one and the same agreement.

62

**Section 1202. Moneys Held in Escrow.** All moneys and obligations held by an escrow or paying agent or trustee pursuant to this Section shall be held in escrow and the principal and interest of said obligations when received, and said moneys, shall be applied to the payment, when due, of the principal, interest and premium, if any, of the Bonds to be paid or to be called for redemption.

### ARTICLE XIII MISCELLANEOUS PROVISIONS

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

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

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

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

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

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

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

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

(SEAL)



Babcock Ranch Community Independent  
Special District

By:   
Chairman

ATTEST:

By:   
Secretary

U.S. Bank National Association,  
as Trustee

By:   
Vice President

63

**EXHIBIT A  
FORM OF REQUISITION**

The undersigned, an Authorized Officer of Babcock Ranch Community Independent Special District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture from the District to U.S. Bank National Association, Orlando, Florida, as trustee (the "Trustee"), dated as of December 1, 2015 (the "Master Indenture"), as amended and supplemented by the [ ] Supplemental Indenture from the District to the Trustee, dated as of [ ] (the Master Indenture as amended and supplemented is hereinafter referred to as the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(D) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments, or, state Costs of Issuance, if applicable):

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

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

The undersigned hereby further certifies that there has not been filed with or served upon the District notice of any lien, right to lien, or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable to the Payee set forth above, which has not been released or will not be released simultaneously with the payment hereof.

The undersigned hereby further certifies that such requisition contains no item representing payment on account of any retained percentage which the District is at the date of such certificate entitled to retain.

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

A-1

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.

**Babcock Ranch Community Independent  
Special District**

**COMMUNITY DEVELOPMENT  
DISTRICT**

By: \_\_\_\_\_  
Authorized Officer

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

If this requisition is for a disbursement for other than Capitalized Interest or Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the [ ] Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of 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.

By: \_\_\_\_\_  
Consulting Engineer

A-2



**TABLE OF CONTENTS**

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

**ARTICLE I.  
DEFINITIONS**

Section 101. Definitions..... 5

**ARTICLE II.  
AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2024 BONDS**

Section 201. Authorization of Series 2024 Bonds; Book-Entry Only Form ..... 10  
 Section 202. Terms 11  
 Section 203. Dating; Interest Accrual..... 12  
 Section 204. Denominations ..... 12  
 Section 205. Paying Agent..... 12  
 Section 206. Bond Registrar ..... 12  
 Section 207. Conditions Precedent to Issuance of Series 2024 Bonds..... 12

**ARTICLE III.  
REDEMPTION OF SERIES 2024 BONDS**

Section 301. Bonds Subject to Redemption; Notice ..... 13

**ARTICLE IV.  
DEPOSIT OF SERIES 2024 BOND PROCEEDS AND APPLICATION  
THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

Section 401. Establishment of Accounts ..... 13  
 Section 402. Use of Series 2024 Bond Proceeds ..... 13  
 Section 403. Series 2024 Acquisition and Construction Account and Series 2024 Capitalized Interest Account..... 14  
 Section 404. Costs of Issuance Account..... 15  
 Section 405. Series 2024 Reserve Account ..... 15  
 Section 406. Amortization Installments..... 16  
 Section 407. Tax Covenants and Rebate Accounts ..... 16  
 Section 408. Establishment of Series 2024 Revenue Account in the Revenue Fund; Application of Revenues and Investment Earnings..... 16

**ARTICLE V.  
CONCERNING THE TRUSTEE**

Section 501. Acceptance by Trustee ..... 19  
 Section 502. Limitation of Trustee's Responsibility..... 19  
 Section 503. Trustee's Duties..... 19

**ELEVENTH SUPPLEMENTAL TRUST INDENTURE**

by and between

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT**

and

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

dated as of  
November 1, 2024

§

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT  
SPECIAL ASSESSMENT REVENUE BONDS,  
SERIES 2024  
(SERIES 2024 PROJECT)**

**ARTICLE VI.  
ADDITIONAL BONDS**

Section 601. No Parity Bonds; Limitation of Additional Debt..... 19

**ARTICLE VII.  
MISCELLANEOUS**

Section 701. Confirmation of Master Indenture..... 20  
 Section 702. Continuing Disclosure Agreement..... 20  
 Section 703. Additional Covenant Regarding Assessments..... 20  
 Section 704. Collection of Assessments ..... 20  
 Section 705. Assignment of District's Rights Under Collateral Assignments..... 20  
 Section 706. Enforcement of Completion Agreements ..... 21  
 Section 707. Owner Direction and Consent with Respect to Series 2024 Acquisition and Construction Account Upon Occurrence of Event of Default..... 21

EXHIBIT A DESCRIPTION OF THE SERIES 2024 PROJECT  
 EXHIBIT B FORM OF SERIES 2024 BONDS  
 EXHIBIT C FORM OF INVESTOR LETTER  
 EXHIBIT D FORMS OF REQUISITIONS

**ELEVENTH SUPPLEMENTAL  
TRUST INDENTURE**

**THIS ELEVENTH SUPPLEMENTAL TRUST INDENTURE** (the "Eleventh Supplemental Indenture"), dated as of November 1, 2024, by and between **BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT** (the "District") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as successor in interest to U.S. Bank National Association, as trustee (the "Trustee"), a national banking association, having the authority to accept and execute trusts of the character herein set out, with its designated corporate trust office and post office address located at 550 West Cypress Creek Road, Suite 380, Fort Lauderdale, Florida 33309, Attention: Corporate Trust.

**WHEREAS**, the District is an independent special district duly created, organized and existing pursuant to Chapter 2007-306, Laws of Florida, on June 27, 2007, as amended by Chapter 2016-257, Laws of Florida, on March 25, 2016 (collectively, the "Act"); and

**WHEREAS**, the premises governed by the District currently consist of approximately 13,630 gross acres of land located in Charlotte County, Florida and an additional approximately 4,157 gross acres of land located in Lee County, Florida (collectively, the "District Lands"); and

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

**WHEREAS**, the District has determined to undertake, in one or more stages, the acquisition and construction of public improvements and community facilities as set forth in the Act for the special benefit of the District Lands; and

**WHEREAS**, the District has previously adopted Resolution No. 2008-04 on November 1, 2007 (the "Original Bond Resolution"), as amended by Resolution No. 2020-19 adopted on July 30, 2020 (the "Amending Bond Resolution" and together with the Original Bond Resolution, the "Bond Resolution") authorizing an increase from not to exceed \$10,500,000,000 to \$14,350,000,000 in aggregate principal amount of its Special Assessment Revenue Bonds (the "Bonds") to finance all or a portion of the planning, design, acquisition and construction costs of certain improvements pursuant to the Act for the special benefit of the District Lands or portions thereof and approving the form of and authorizing the execution and delivery of the Master Indenture (as defined herein); and

**WHEREAS**, pursuant to the Bond Resolution, the Bonds are 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 Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte County, Florida on April 1, 2008, as subsequently amended and supplemented in a final judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte, Collier, Glades, Hendry and Lee Counties, rendered on December 2, 2020; and

**WHEREAS**, the District duly adopted Resolution Nos. 2022-25, 2022-29, 2024-50, 2024-52, 2024-56, 2024-58, 2024-60, 2024-62, and 2024-64 on February 24, 2022, February 24, 2022, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024 and May 29, 2024, declaring the levy and collection of special debt assessments (the "Series 2024

Special Assessments”), pursuant to the Act and Chapters 170 and 197, Florida Statutes, indicating the location, nature and estimated cost of the improvements which cost is to be defrayed by the Series 2024 Special Assessments, providing the manner in which the Series 2024 Special Assessments will be made, designating the lands upon which the Series 2024 Special Assessments will be levied, authorizing the preparation of a preliminary assessment roll and fixing the time and place of a public hearing; and

**WHEREAS**, the District duly adopted Resolution Nos. 2022-26, 2022-30, 2024-51, 2024-53, 2024-57, 2024-59, 2024-61, 2024-63 and 2024-65 on February 24, 2022, February 24, 2022, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024, May 29, 2024 and May 29, 2024, setting a public hearing to be held on June 28, 2024, for the purpose of hearing public comment on imposing the Series 2024 Special Assessments; and

**WHEREAS**, the District duly adopted Resolution Nos. 2022-38, 2022-40, 2024-71, 2024-72, 2024-74, 2024-75, 2024-76, 2024-77 and 2024-78 on April 28, 2022, April 28, 2022, June 28, 2024, June 28, 2024, June 28, 2024, June 28, 2024, June 28, 2024, June 28, 2024, June 28, 2024 and June 28, 2024 equalizing, approving, confirming and levying the Series 2024 Special Assessment on the property within the District benefited by the Series 2024 Project; and

**WHEREAS**, the District duly authorized the undertaking of the Series 2024 Project (as defined herein), a portion of which is to be financed with the proceeds of the Series 2024 Bonds (as herein defined), as described more particularly in the *Engineer’s Report Phase VII Project Area: Charlotte County – MidTown - Parcel 1, 2, 3, and 4, Charlotte County – Webbs Reserve: Lee County – Lee County Parcels 1 and 2; Supplement to Phase VI Project Area (Lee County – DiVosta Parcel – Phase 2); and Charlotte County – Tuckers Cove (Phase 1C & 1D)*, dated May 2024, amended October 2024, prepared by Kimley-Horn & Associates (the “Series 2024 Engineer’s Report”), and equalizing, approving, confirming and levying the Series 2024 Special Assessments on the property within the District benefited by the Series 2024 Project; and

**WHEREAS**, the Series 2024 Engineer’s Report sets forth certain public master capital improvements to be constructed, acquired, equipped and installed for the purposes of giving access to and servicing the approximately 1,189 gross acres, located in Charlotte County and Lee County, Florida and comprised of approximately 2,473 units over multiple parcels (collectively, the “Series 2024 Assessment Area”) which master capital improvements comprise the “Series 2024 Project” as summarized in Exhibit A attached to this Eleventh Supplemental Indenture; and

**WHEREAS**, on September 30, 2024, the District approved an Amended Master Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tucker’s Cove, former Trabue, and DiVosta Parcels dated May 29, 2024, and amended September 26, 2024, as amended and supplemented by the Supplemental Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tucker’s Cove, former Trabue, and DiVosta Parcel dated October 31, 2024, each prepared by the Methodology Consultant, setting forth the District’s methodology for allocating debt to property within the Series 2024 Assessment Area (together, the “Assessment Methodology Reports”); and

2

Eleventh Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts under the Series 2024 Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Series 2024 Indenture and the provisions of the Series 2024 Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Series 2024 Indenture, the revenues derived by the District from the Series 2024 Special Assessments (the “Series 2024 Pledged Revenues”) and the Funds and Accounts (except for the Series 2024 Rebate Account) established hereby (the “Series 2024 Pledged Funds”) which shall comprise the Trust Estate securing the Series 2024 Bonds (the “Series 2024 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**, upon the terms and trusts in the Series 2024 Indenture set forth for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the Series 2024 Bonds issued or to be issued under and secured by this Eleventh Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any one Series 2024 Bond over any other Series 2024 Bond by reason of priority in their issue, sale or execution;

**PROVIDED FURTHER HOWEVER**, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2024 Bonds or any Series 2024 Bond of a particular maturity issued, secured and Outstanding under this Eleventh Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2024 Bonds and this Eleventh 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 Eleventh 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 Eleventh Supplemental Indenture, then upon such final payments, this Eleventh Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2024 Bonds or any Series 2024 Bond of a particular maturity, otherwise this Eleventh Supplemental Indenture shall remain in full force and effect;

**THIS ELEVENTH SUPPLEMENTAL INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2024 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this Eleventh Supplemental Indenture), including this Eleventh Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2024 Bonds, as follows:

4

**WHEREAS**, the District plans to fund a portion of certain offsite road improvements with funds from a Florida State Infrastructure Bank Loan, which is expected to be primarily repaid from certain developer transportation fee revenues, and certain special debt assessments (the “SIB Loan Special Assessments”) as described in the SR 31 Offsite Road Improvement Special Assessment Methodology Report dated May 12, 2021, as supplemented and amended from time to time, prepared by the Methodology Consultant, and approved by the Board on May 4, 2021; and

**WHEREAS**, the SIB Loan Special Assessments are on parity with the Series 2024 Special Assessments imposed, levied and collected on the Charlotte County lands comprising a portion of the Series 2024 Assessment Area or landowner contributions in lieu of the SIB Loan Special Assessments as the secondary sources of repayment; and

**WHEREAS**, the District has determined that it would be in the best interest of the landowners of the District for the District to issue, and the District has determined to issue its Babcock Ranch Community Independent Special District Special Assessment Revenue Bonds, Series 2024 (the “Series 2024 Bonds”) all for the primary purpose of providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2024 Project; and

**WHEREAS**, the Series 2024 Bonds are being issued pursuant to the Master Indenture and this Eleventh Supplemental Indenture and the proceeds thereof will primarily be used to provide funds for a portion of the Costs of the Series 2024 Project; and

**WHEREAS**, the Series 2024 Bonds will be payable from and secured by the Series 2024 Pledged Revenues (as herein defined) consisting primarily of the Series 2024 Special Assessments; and

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

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

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2024 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 Outstanding Series 2024 Bonds 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 such other payments due under any Credit Facility (as defined in the Master Indenture), and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this Eleventh Supplemental Indenture and in the Series 2024 Bonds: (a) has executed and delivered this

3

## 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 (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

“Acquisition Agreement” shall mean the Acquisition Agreement between the District and the Developer regarding the acquisition of certain work product, improvements and/or real property dated November \_\_, 2024.

“Arbitrage Certificate” shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants of the District, dated November \_\_, 2024 relating to certain restrictions on arbitrage under the Code with respect to the Series 2024 Bonds.

“Assessment Methodology Reports” shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

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

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

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

“Capital Improvement Program” shall mean the program of assessable capital improvements described in the Series 2024 Assessment Proceedings, of which the Series 2024 Project is part.

“Collateral Assignments” shall mean collectively, each of the Collateral Assignment and Assumption of Development and Contract Rights Relating to each respective phase of development comprising the Series 2024 Assessment Area, dated November \_\_, 2024, each entered into by the Developer or Lennar Homes in favor of the District.

5

"Completion Agreements" shall mean collectively, each of the Completion Agreements between the District, and the Developer or Lennar Homes, respectively, regarding the Completion of Certain Improvements for the Series 2024 Project, dated November \_\_, 2024.

"Consulting Engineer" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the Beneficial Owners of the Series 2024 Bonds, dated November \_\_, 2024, by and among the District, the Developer, Lennar Homes and the dissemination agent named therein, in connection with the issuance of the Series 2024 Bonds.

"Declarations of Consent" shall mean collectively, each of the Declarations of Consent to Jurisdiction of Babcock Ranch Community Independent Special District and to Imposition of Special Assessments dated November \_\_, 2024, delivered by the Developer and Lennar Homes, respectively.

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

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

"Developer" shall mean Babcock Property Holdings, L.L.C., a Delaware limited liability company.

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

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

"Interest Payment Date" shall mean each May 1 and November 1, commencing May 1, 2025, and any other date on which principal of the Series 2024 Bonds is paid.

"Lennar Homes" shall mean Lennar Homes, LLC, a Florida limited liability company.

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

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

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

6

"Series 2024 Indenture" shall mean the Eleventh Supplemental Indenture and Master Indenture.

"Series 2024 Investment Obligations" shall mean Investment Obligations authorized under the Master Indenture and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

(i) Government Obligations;

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

(iii) Shares of money market mutual funds that are rated in the highest rating category for such funds by either Moody's or S&P, or, which invest only in the obligations described in (i) and (ii) above, including money market mutual funds of the Trustee bank meeting such criteria;

(iv) Commercial paper rated in the highest rating category by either Moody's or S&P;

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

(vi) In addition to deposits described in subsection (v) of this definition, negotiable or non-negotiable certificates of deposit, time deposits or other similar banking arrangements issued by any bank or trust company, including the Trustee, or any federal savings and loan association, the deposits of which are insured by the Federal Deposit Insurance Corporation (including the FDIC's Savings Association Insurance Fund), which securities, to the extent that the principal thereof exceeds the maximum amount insurable by the Federal Deposit Insurance Corporation and, therefore, are not so insured, shall be fully secured to the extent permitted by law as to principal and interest by the securities listed in subsection (i), (ii) or (iii) above; provided, however, that with respect to securities used to secure securities hereunder, in addition to direct and general obligations of any political subdivision or instrumentality of any such state, to the payment of the principal of and interest on which the full faith and credit of such subdivision or instrumentality is

8

"Redemption Date" shall mean any date on which Outstanding Series 2024 Bonds are called for redemption; provided, however that the Redemption Date for extraordinary mandatory redemption of Series 2024 Bonds, in part, from funds on deposit in the Series 2024 Prepayment Subaccount is limited to Quarterly Redemption Dates, except with respect to final payment of the Series 2024 Bonds.

"Reserve Release Conditions #1" shall mean collectively (i) all lots subject to the Series 2024 Special Assessments have closed with builders, as certified by the District Manager in writing and upon which the Trustee may conclusively rely, and (ii) there shall be no Events of Default under the Series 2024 Indenture with respect to the Series 2024 Bonds, as certified by the District Manager and upon which the Trustee may conclusively rely.

"Reserve Release Conditions #2" shall mean collectively (i) satisfaction of Reserve Release Conditions #1, (ii) all lots subject to the Series 2024 Special Assessments have constructed homes thereon which have each received a certificate of occupancy, (iii) all of the principal portion of the Series 2024 Special Assessments has been assigned to such homes, and (iv) there shall be no Events of Default under the Series 2024 Indenture, all as certified by the District Manager in writing and upon which the Trustee may conclusively rely.

"Series 2024 Acquisition and Construction Account" shall mean the account established in accordance with Section 401(a) herein.

"Series 2024 Assessment Area" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

"Series 2024 Assessment Interest" shall mean the interest on the Series 2024 Special Assessments which is pledged to the Series 2024 Bonds.

"Series 2024 Assessment Principal" shall mean the principal amount of the Series 2024 Special Assessments received by the District which represent a proportionate amount of the principal of and Amortization Installments (as defined in the Master Indenture) of the Series 2024 Bonds.

"Series 2024 Assessment Proceedings" shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2024 Special Assessments, including, but not limited to Resolutions Nos. 2022-25, 2022-26, 2022-29, 2022-30, 2022-38, 2022-40, 2024-50, 2024-51, 2024-52, 2024-53, 2024-56, 2024-57, 2024-58, 2024-59, 2024-60, 2024-61, 2024-62, 2024-63, 2024-64, 2024-65, 2024-71, 2024-72, 2024-74, 2024-75, 2024-76, 2024-77 and 2024-78 and as may be supplemented, adopted by the Governing Board of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2024 Special Assessments and the Assessment Methodology Reports as approved thereby.

"Series 2024 Bonds" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

"Series 2024 Engineer's Report" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

7

pledged if such obligations are initially rated in one of the three highest rating categories without regard to gradations within any such categories by either S&P or Moody's.

Under all circumstances, the Trustee shall be entitled to rely that the direction of an Authorized Officer with respect to any investment directed by the District is conclusive evidence that the investment is permitted under the Series 2024 Indenture and is a legal investment for funds of the District.

"Series 2024 Pledged Funds" shall mean all of the Funds and Accounts created hereby with the Trustee, including the Subaccounts therein other than the Series 2024 Rebate Account in the Rebate Fund.

"Series 2024 Pledged Revenues" shall mean the Series 2024 Special Assessments.

"Series 2024 Prepayment Principal" shall mean the excess amount of Series 2024 Assessment Principal received by the District over the Series 2024 Assessment Principal included within a Series 2024 Special Assessment appearing on any outstanding and unpaid tax bill, whether or not mandated to be prepaid in accordance with the Series 2024 Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2024 Prepayment Principal shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

"Series 2024 Project" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

"Series 2024 Reserve Account Requirement" shall be (i) initially, an amount equal to fifty percent (50%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time; (ii) upon the occurrence of the Reserve Release Conditions #1, twenty-five percent (25%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time; and (iii) upon the occurrence of the Reserve Release Conditions #2, ten percent (10%) of the maximum annual debt service on the Series 2024 Bonds as calculated from time to time. Upon satisfaction of the Reserve Release Conditions #1 or Reserve Release Conditions #2, as applicable, such excess amount shall be released from the Series 2024 Reserve Account and transferred to the Series 2024 Acquisition and Construction Account in accordance with the provisions of Sections 403(a) and 405 hereof. For the purpose of calculating the Series 2024 Reserve Account Requirement, fifty percent (50%) of maximum annual debt service, twenty-five percent (25%) of maximum annual debt service or ten percent (10%) of maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in Exhibit B attached hereto hereof (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2024 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2024 General Redemption Subaccount or the Series 2024 Prepayment Subaccount as applicable, in accordance with the provisions of the form of Series 2024 Bond set forth as Exhibit B hereto. Amounts on deposit in the Series 2024 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2024 Bonds be used to pay principal of and interest on the Series 2024 Bonds at that time. Initially, the Series 2024 Reserve Account Requirement shall be equal to \$\_\_\_\_\_.

9

"SIB Loan Special Assessments" shall have the meaning as assigned in the recitals to this Eleventh Supplemental Indenture.

"Substantially Absorbed" shall mean the date on which a principal amount of the Series 2024 Special Assessments equaling at least seventy-five percent (75%) of the then-Outstanding principal amount of the Series 2024 Bonds are levied on tax parcels within the District with respect to which a certificate of occupancy has been issued for a structure thereon and are occupied by end users. The District shall present the Trustee with a certification that the Series 2024 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2024 Special Assessments are Substantially Absorbed.

"True-Up Agreements" shall mean collectively, each of the True-Up Agreements dated November \_\_, 2024, by and between the District, and the Developer or Lennar Homes, respectively, relating to the true-up of Series 2024 Special Assessments as they relate to each phase of development comprising the Series 2024 Assessment Area.

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2024 Bonds.

**ARTICLE II.**

**AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2024 BONDS**

**Section 201. Authorization of Series 2024 Bonds; Book-Entry Only Form.** The Series 2024 Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$ \_\_\_\_\_ for the purposes enumerated in the recitals hereto to be designated "Babcock Ranch Community Independent Special District Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project)." The Series 2024 Bonds shall be substantially in the form set forth as Exhibit B to this Eleventh Supplemental Indenture. Each Series 2024 Bond shall bear the designation "R" and shall be numbered consecutively from 1 upwards.

The Series 2024 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2024 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2024 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 2024 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 2024 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the Series 2024 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2024 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other

10

Maturity (May 1)	Amount	Interest Rate	Initial CUSIP No.
	\$	%	05616K
			05616K
			05616K

**Section 203. Dating; Interest Accrual.** Each Series 2024 Bond shall be dated its date of initial issuance and delivery. Each Series 2024 Bond also shall bear its date of authentication. Each Series 2024 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such Series 2024 Bond has been paid, in which event such Series 2024 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the Series 2024 Bonds, in which event, such Series 2024 Bond shall bear interest from its date of issuance. Interest on the Series 2024 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 of twelve 30-day months.

**Section 204. Denominations.** The Series 2024 Bonds shall be issued in Authorized Denominations.

**Section 205. Paying Agent.** The District appoints the Trustee as Paying Agent for the Series 2024 Bonds.

**Section 206. Bond Registrar.** The District appoints the Trustee as Bond Registrar for the Series 2024 Bonds.

**Section 207. Conditions Precedent to Issuance of Series 2024 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2024 Bonds, all the Series 2024 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 2024 Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this Eleventh Supplemental Indenture;
- (c) A Bond Counsel opinion to the effect that: (i) the District has the right and power under the Act as amended to the date of such opinion to authorize, execute and deliver the Master Indenture and this Eleventh Supplemental Indenture, and the Master Indenture and this Eleventh Supplemental Indenture have been duly and lawfully authorized, executed and delivered by the District, are in full force and effect and are valid and binding upon the District and enforceable in accordance with their respective terms; (ii) the Master Indenture, as amended and supplemented by this Eleventh Supplemental Indenture, creates the valid pledge which it purports to create of the Series 2024 Trust Estate in the manner and to the extent provided in the Master Indenture and this Eleventh Supplemental Indenture; and (iii) the Series 2024 Bonds are valid, binding, special obligations of the District, enforceable in accordance with their terms and the terms of the Master Indenture and this Eleventh Supplemental Indenture, subject to bankruptcy, insolvency or other

12

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 2024 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each Series 2024 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such Series 2024 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2024 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2024 Bond, for the purpose of registering transfers with respect to such Series 2024 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2024 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 2024 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 2024 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 Eleventh Supplemental Indenture shall refer to such new Nominee of DTC; and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2024 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 2024 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2024 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 2024 Bonds shall designate, in accordance with the provisions hereof.

**Section 202. Terms** The Series 2024 Bonds shall be issued as three (3) Term Bonds, shall be issued in one series, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

11

laws affecting the rights of creditors generally and entitled to the benefits of the Act as amended to the date of such opinion, and the Series 2024 Bonds have been duly and validly authorized and issued in accordance with law and the Master Indenture and this Eleventh Supplemental Indenture; and a customary bond counsel tax opinion opining that interest on the Series 2024 Bonds is exempt from federal income taxation;

- (d) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2024 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Eleventh Supplemental Indenture;
- (e) Series 2024 Engineer's Report prepared by the Consulting Engineer describing the Series 2024 Project;
- (f) Customary closing opinions of District Counsel and Bond Counsel;
- (g) A certified copy of the final judgments of validation with a certificate of no appeal with respect to the Series 2024 Bonds; and
- (h) Executed copies of the Arbitrage Certificate, the Continuing Disclosure Agreement, the Completion Agreements, the Declarations of Consent, the Collateral Assignments, the True-Up Agreements and the Acquisition Agreement.

Payment to the Trustee of \$ \_\_\_\_\_ being the net proceeds from the initial issuance of the Series 2024 Bonds shall constitute conclusive evidence that the conditions precedent to the issuance of the Series 2024 Bonds have been met to the satisfaction of the District and the Underwriter.

**ARTICLE III.  
REDEMPTION OF SERIES 2024 BONDS**

**Section 301. Bonds Subject to Redemption; Notice.** The Series 2024 Bonds are subject to redemption prior to maturity as provided in the form thereof set forth as Exhibit B to this Eleventh Supplemental Indenture.

Notwithstanding anything in the Master Indenture or this Eleventh Supplemental Indenture to the contrary, notice of optional redemption may be conditioned upon the occurrence of non-occurrence of such event or events 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 2024 BOND PROCEEDS AND APPLICATION THEREOF;  
ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF**

**Section 401. Establishment of Accounts.** There are hereby established, the following Funds and Accounts.

13

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee the following accounts: (i) a "Series 2024 Acquisition and Construction Account," and (ii) a "Series 2024 Costs of Issuance Account."

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a "Series 2024 Debt Service Account" and therein a "Series 2024 Sinking Fund Account," a "Series 2024 Interest Account," and a "Series 2024 Capitalized Interest Account," and (ii) a "Series 2024 Redemption Account" and therein a "Series 2024 Prepayment Subaccount."

(c) There is hereby established within the Reserve Fund held by the Trustee a "Series 2024 Reserve Account," which shall be held for the benefit of all of the Series 2024 Bonds, without distinction as to Series 2024 Bonds and without privilege or priority of one Series 2024 Bond over another.

(d) There is hereby established within the Revenue Fund held by the Trustee a "Series 2024 Revenue Account."

(e) There is hereby established within the Rebate Fund held by the Trustee a "Series 2024 Rebate Account."

**Section 402. Use of Series 2024 Bond Proceeds.** The net proceeds of sale of the Series 2024 Bonds, consisting of \$ \_\_\_\_\_ principal amount of Series 2024 Bonds, less Underwriter's discount of \$ \_\_\_\_\_, [minus/plus [net] original issue discount/premium] in the amount of \$ \_\_\_\_\_ resulting in net proceeds of sale of the Series 2024 Bonds of \$ \_\_\_\_\_, 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) \$ \_\_\_\_\_, representing the Series 2024 Reserve Account Requirement shall be deposited to the credit of the Series 2024 Reserve Account;

(b) \$ \_\_\_\_\_, representing the costs of issuance relating to the Series 2024 Bonds shall be deposited to the credit of the Series 2024 Costs of Issuance Account and applied to pay the costs of issuance of the Series 2024 Bonds;

(c) \$ \_\_\_\_\_ shall be deposited into the Series 2024 Capitalized Interest Account and applied to pay capitalized interest on the Series 2024 Bonds; and

(d) \$ \_\_\_\_\_ in aggregate amount of the remaining net proceeds of the Series 2024 Bonds shall be deposited to the credit of the Series 2024 Acquisition and Construction Account and applied to the respective Costs of the Series 2024 Project.

**Section 403. Series 2024 Acquisition and Construction Account and Series 2024 Capitalized Interest Account.**

(a) Amounts on deposit in the Series 2024 Acquisition and Construction Account shall be held by the Trustee, except as provided in Section 403(b) below, and shall be requisitioned by the District, using the form of requisition attached hereto as Exhibit D, subject to the provisions of Section 707 hereof, to pay Costs of the Series 2024 Project as defined in the Series 2024 Engineer's

14

or priority of one Series 2024 Bond over another, to the extent the moneys on deposit in such Accounts therein and available therefor are insufficient and for no other purpose. Such Account shall consist only of cash and Series 2024 Investment Obligations.

On the earliest date on which there is on deposit in the Series 2024 Reserve Account, sufficient monies, after taking into account other monies available therefor (other than the Series 2024 Rebate Account and the Series 2024 Acquisition and Construction Account), to pay and redeem all of the Outstanding Series 2024 Bonds, together with accrued interest on such Series 2024 Bonds to the earliest date of redemption permitted therein and herein, then the Trustee shall transfer the amount on deposit in the Series 2024 Reserve Account into the Series 2024 Prepayment Subaccount in the Series 2024 Redemption Account to pay and redeem all of the Outstanding Series 2024 Bonds on the earliest date permitted for redemption therein and herein.

Anything in the Master Indenture or herein to the contrary notwithstanding, amounts on deposit in the Series 2024 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 Assessment Principal and Delinquent Assessment Interest.

**Section 406. Amortization Installments.** (a) The Amortization Installments for the Series 2024 Bonds shall be as set forth in the forms of Bonds attached hereto.

(b) Upon any redemption of Series 2024 Bonds (other than Series 2024 Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2024 Bonds redeemed at the direction of the District accompanied by a cash flow certificate as required by Section 506(b) of the Master Indenture), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so as to amortize the Outstanding Series 2024 Term Bonds in substantially equal annual installments of principal and interest (subject to rounding to the nearest \$5,000 increment of principal) over the remaining term of the Series 2024 Bonds.

**Section 407. Tax Covenants and Rebate Accounts.** The District shall comply with the covenants set forth in the District's Arbitrage Certificate issued in connection with the issuance of the Series 2024 Bonds, as amended and supplemented from time to time in accordance with their terms.

**Section 408. Establishment of Series 2024 Revenue Account in the Revenue Fund; Application of Revenues and Investment Earnings.**

(a) The Trustee is hereby authorized and directed to establish within the Revenue Fund a Series 2024 Revenue Account into which the Trustee shall deposit any and all amounts required to be deposited therein by this Section 408 or by any other provision of the Master Indenture or this 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 2024 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Series 2024 Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2024 Revenue Account the Series 2024 Special Assessments, other than the Series 2024 Prepayment Principal which shall be identified

16

Report upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture. Upon satisfaction of either the Reserve Release Conditions #1 or the Reserve Release Conditions #2, as the case may be, the amount on deposit in the Series 2024 Reserve Account in excess of the Series 2024 Reserve Account Requirement, as applicable and as calculated by the District, shall then be transferred by the Trustee to the Series 2024 Acquisition and Construction Account as directed in writing to the Trustee by the District Manager, upon consultation with the Consulting Engineer, and applied as provided in this Section 403(a).

Anything in the Master Indenture to the contrary notwithstanding, the Consulting Engineer shall establish a Date of Completion (as defined in the Master Indenture) for the Series 2024 Project, and any balance remaining in the Series 2024 Acquisition and Construction Account allocable to the Series 2024 Project (taking into account the moneys currently on deposit therein to pay any accrued but unpaid Costs of the Series 2024 Project which are required to be reserved in the Series 2024 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer establishing such Date of Completion), shall be deposited into the Series 2024 Prepayment Subaccount and applied to the redemption of the Series 2024 Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2024 Bond set forth as Exhibit B hereto. Notwithstanding the foregoing, the Series 2024 Acquisition and Construction Account shall not be closed until after the Reserve Release Conditions #2 shall have occurred and the excess funds from the Series 2024 Reserve Account shall have been transferred to the Series 2024 Acquisition and Construction Account and applied in accordance with this Section 403(a). The Trustee shall not be responsible for determining the amount in the Series 2024 Acquisition and Construction Account allocable to the respective components of the Series 2024 Project.

(b) Amounts on deposit in the Series 2024 Capitalized Interest Account shall, until and including November 1, 2025, be transferred into the Series 2024 Interest Account and applied to the payment of interest first coming due on the Series 2024 Bonds, and thereafter transferred into the Series 2024 Acquisition and Construction Account, and the Series 2024 Capitalized Interest Account shall be closed.

**Section 404. Costs of Issuance Account.** The amount deposited in the Series 2024 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, using the form of requisition attached hereto as Exhibit D, be used to pay the costs of issuance relating to the Series 2024 Bonds. On the earlier to occur of: (x) the written direction of an Authorized Officer or (y) six months after the date of delivery of the Series 2024 Bonds any amounts deposited in the Series 2024 Costs of Issuance Account which have not been requisitioned shall be transferred over and deposited into the Series 2024 Acquisition and Construction Account and used for the purposes permitted therefor, and the Series 2024 Costs of Issuance Account shall be closed.

**Section 405. Series 2024 Reserve Account.** The Series 2024 Reserve Account shall be initially funded in an amount equal to the Series 2024 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2024 Reserve Account shall be used only for the purpose of making payments into the Series 2024 Interest Account, and the Series 2024 Sinking Fund Account to pay Debt Service on the Series 2024 Bonds, when due, without distinction as to Series 2024 Bonds and without privilege

15

by the District to the Trustee as such in writing upon deposit and which shall be deposited into the Series 2024 Prepayment Subaccount in the Redemption Account, and any other revenues required by other provisions of the Series 2024 Indenture to be deposited therein.

(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 next preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account and, shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2024 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2024 Prepayment Subaccount in accordance with the provisions for extraordinary redemption of the Series 2024 Bonds set forth in the form of Series 2024 Bond attached hereto, Section 301 hereof, and Article III of the Master Indenture. In addition, and together with the moneys transferred from the Series 2024 Reserve Account pursuant to Section 405 above, if the amount on deposit is not sufficient to redeem a principal amount of the Series 2024 Bonds in an Authorized Denomination, the Trustee shall be authorized to withdraw amounts from the Series 2024 Revenue Account to round-up to the nearest Authorized Denomination. The Trustee is further authorized and directed to withdraw from the Series 2024 Interest Account (or the amounts in the Series 2024 Interest Account are insufficient, from the Series 2024 Revenue Account), the amount of interest accrued and due on the Series 2024 Bonds subject to redemption on any Redemption Date. Notwithstanding the foregoing, no transfers from the Series 2024 Revenue Account shall be made for the Series 2024 Bonds for the redemption pursuant to Section 301 hereof if as a result the deposits required under paragraph (d) below, FIRST through THIRD cannot be made in full.

(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) commencing on May 1, 2025, the Trustee shall first transfer from the Series 2024 Capitalized Interest Account to the Series 2024 Interest Account the lesser of (x) the amount of interest coming due on the Series 2024 Bonds on such May 1 or November 1, less the amount already on deposit therein, or (y) the amount remaining in the Series 2024 Capitalized Interest Account.

Following the foregoing transfers, 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 transfer amounts on deposit in the Series 2024 Revenue Account to the Funds and Accounts designated below in the following amounts and in the following order of priority:

**FIRST**, from the Series 2024 Revenue Account to the Series 2024 Interest Account of the Series 2024 Debt Service Account, an amount equal to the amount of interest payable on all Series 2024 Bonds then Outstanding on such May 1 or November 1, less any amount transferred from the Series 2024 Capitalized Interest Account in accordance with Section 403(b) hereof, and less any other amount already on deposit in the Series 2024 Interest Account not previously credited;

**SECOND**, on each May 1, to the Series 2024 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2024 Bonds subject to

17

mandatory sinking fund redemption on such May 1, and the amount already on deposit in the Series 2024 Sinking Fund Account not previously credited;

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

**FOURTH.** the balance shall be retained in the Series 2024 Revenue Account.

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

(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 2024 Bonds shall be invested only in Series 2024 Investment Obligations, and further, earnings on the Series 2024 Acquisition and Construction Account, the Series 2024 Capitalized Interest Account, and the Series 2024 Interest Account shall be retained, as realized, in such Accounts or subaccounts and used for the purpose of such Account or subaccount. Earnings on investments in the other Funds and Accounts other than the Series 2024 Reserve Account shall be deposited, as realized, to the credit of the Series 2024 Revenue Account and used for the purpose of such Account.

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

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

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

18

## ARTICLE VII. MISCELLANEOUS

**Section 701. Confirmation of Master Indenture.** As supplemented by this Eleventh Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this Eleventh 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 Eleventh Supplemental Indenture and to the Series 2024 Bonds issued hereunder.

**Section 702. Continuing Disclosure Agreement.** Contemporaneously with the execution and delivery hereof, the District has executed and delivered a Continuing Disclosure Agreement together with the Developer or any successor entity constituting an "obligated person" under the Continuing Disclosure Agreement, in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The District covenants and agrees to comply with the provisions of such Continuing Disclosure Agreement; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but, instead shall be enforceable by mandamus, injunction or any other means of specific performance. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall not be required to provide financial statements or other reports to the Trustee to the extent that they are required to be filed with a national repository in accordance with the Continuing Disclosure Agreement.

**Section 703. Additional Covenant Regarding Assessments.** In addition, and not in limitation of, the covenants contained elsewhere in this Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2024 Special Assessments, including the Assessment Methodology Reports, and to levy the Series 2024 Special Assessments and any required true-up payments set forth in the Assessment Methodology Reports, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2024 Bonds, when due.

**Section 704. Collection of Assessments.** Anything herein or in the Master Indenture to the contrary notwithstanding, Series 2024 Special Assessments levied on platted lots and pledged hereunder to secure the Series 2024 Bonds shall be collected pursuant to the Uniform Method and Series 2024 Special Assessments levied on unplatted lots and pledged hereunder to secure the Series 2024 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.

All Series 2024 Special Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by the landowner no later than thirty (30) days prior to each Interest Payment Date.

**Section 705. Assignment of District's Rights Under Collateral Assignments.** The District hereby assigns its rights under the Collateral Assignments to the Trustee for the benefit of

20

## ARTICLE V. CONCERNING THE TRUSTEE

**Section 501. Acceptance by Trustee.** The Trustee accepts the trusts declared and provided in this Eleventh Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth 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 Eleventh 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 of Additional Debt.

The District covenants not to issue any other Bonds or other debt obligations secured by the Series 2024 Special Assessments levied on the Series 2024 Assessment Area. Such covenant shall not prohibit the District from issuing refunding bonds. In addition, the District covenants not to issue any other Bonds or other debt obligations for capital projects, secured by Assessments on assessable lands which are subject to the Series 2024 Special Assessments levied on the Series 2024 Assessment Area, except for the SIB Loan Special Assessments (as it relates to the lands in Charlotte County), unless the Series 2024 Special Assessments have been Substantially Absorbed. As stated, certain lands in Charlotte County will be encumbered with both the Series 2024 Special Assessment and the SIB Loan Special Assessments, which while on parity, the SIB Loan Special Assessments will be collected directly by the District and paid to the Florida State Infrastructure Bank and not the Trustee, and therefore will not be commingled with the Series 2024 Special Assessment. The District shall be responsible for ensuring the SIB Loan Special Assessments are not commingled with the Series 2024 Special Assessments and the Trustee shall have no obligation to question if amounts paid to it are not Series 2024 Special Assessments. The District shall present the Trustee with a certification that the Series 2024 Special Assessments have been Substantially Absorbed and the Trustee may conclusively rely upon such certification with no duty to verify if the Series 2024 Special Assessments are Substantially Absorbed.

Notwithstanding any of the foregoing, the District shall not be precluded from imposing Special Assessments or non-ad valorem assessments on lands within the District for the health, safety, and welfare of the District's residents or for purposes of remediating any natural disaster, catastrophic damage, or failure that has occurred with respect to any capital project or any component thereof.

19

the Owners, from time to time, of the Series 2024 Bonds. The Trustee has accepted no duties under the Collateral Assignments.

**Section 706. Enforcement of Completion Agreements.** 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 Completion Agreements, upon the occurrence and continuance of a default under the Completion Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority Owners, but subject to Trustee's rights under Section 604 of the Master Indenture, has the right to act on behalf of, and in the District's stead, to enforce the provisions of the Completion 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 Completion Agreements upon demand of the Majority Owners, or the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Series 2024 Indenture without benefit of any period for cure, and entitle the Majority Owners of the Series 2024 Bonds to direct the Trustee to declare that the aggregate principal amount of all of Series 2024 Bonds then Outstanding shall be due and payable immediately pursuant to the provisions of Section 903 of the Master Indenture. The Trustee has accepted no duties under the Completion Agreements.

**Section 707. Owner Direction and Consent with Respect to Series 2024 Acquisition and Construction Account Upon Occurrence of Event of Default.** In accordance with the provisions of the Series 2024 Indenture, the Series 2024 Bonds are payable solely from the Series 2024 Trust Estate. Anything in the Series 2024 Indenture to the contrary notwithstanding, the District hereby acknowledges that (i) the Series 2024 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2024 Acquisition and Construction Account of the Acquisition and Construction Fund then held by the Trustee, (ii) upon the occurrence of an Event of Default with respect to the Series 2024 Bonds, the Series 2024 Pledged Funds may not be used by the District (whether to pay costs of the Series 2024 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 Series 2024 Project and payment is for such work, and (iii) the Series 2024 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, but subject to Trustee's rights under Section 604 of the Master Indenture, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series 2024 Indenture. The District shall not enter into any binding agreement with respect to the Series 2024 Project after the occurrence of an Event of Default unless authorized in writing by the Majority Owners.

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

21



PURSUANT TO THE MASTER INDENTURE, THE ELEVENTH SUPPLEMENTAL INDENTURE, OR THE SERIES 2024 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2024 TRUST ESTATE, ALL AS PROVIDED HEREIN, IN THE MASTER INDENTURE AND IN THE ELEVENTH SUPPLEMENTAL INDENTURE.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the ordinances and resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Series 2024 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 Series 2024 Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

THE TERMS AND PROVISIONS OF THIS BOND ARE CONTINUED ON THE REVERSE HEREOF AND SUCH CONTINUED TERMS AND PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS THOUGH FULLY SET FORTH AT THIS PLACE.

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

IN WITNESS WHEREOF, Babcock Ranch Community Independent Special District has caused this Bond to bear the signature of the Chair of its Governing Board and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Governing Board.

[Official Seal]

**BABCOCK RANCH COMMUNITY  
INDEPENDENT SPECIAL DISTRICT**

Attest:

\_\_\_\_\_  
Craig Wrathell  
Secretary

By: \_\_\_\_\_  
Bill Vander May  
Chair, Governing Board

B-3

B-4

**[FORM OF CERTIFICATE OF AUTHENTICATION FOR SERIES 2024 BONDS]**

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 Trustee**

Date of Authentication: \_\_\_\_\_ By: \_\_\_\_\_  
Amanda Kumar, Vice President

**[TEXT OF SERIES 2024 BOND]**

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 2007-306, Laws of Florida, as amended by Chapter 2016-257 Laws of Florida, and other applicable provisions of law and pursuant to the Series 2024 Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Series 2024 Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Bonds issued under the Series 2024 Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Amortization Installment and Redemption Price of, and the interest on, the Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Assessments (as defined in the Series 2024 Indenture), the terms and conditions under which the Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Series 2024 Indenture and the rights of the registered Owners of the Bonds, and, by the acceptance of this Bond, the registered and beneficial Owners hereof assent to all of the provisions of the Series 2024 Indenture. The Series 2024 Bonds are equally and ratably secured by the Series 2024 Trust Estate, without preference or priority of one Series 2024 Bond over another. The Eleventh Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on a parity with the Series 2024 Bonds as to the lien and pledge of the Series 2024 Trust Estate.

The Series 2024 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 Fort Lauderdale, Florida, as Bond Registrar (the "Bond Registrar"), upon surrender of this Bond, accompanied by a duly executed instrument of transfer in form and with guaranty of signature reasonably satisfactory to the Bond Registrar, subject to such reasonable regulations as the District or the Bond Registrar may prescribe, and upon payment of any taxes or other governmental charges incident to such transfer. Upon any such transfer a new 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 Fort Lauderdale, Florida, in the manner and subject to the limitations and conditions provided in the Master Indenture and without cost, except for any tax or other governmental charge, 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.

Optional Redemption

The Series 2024 Bonds maturing after May 1, 20\_\_, 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 100% of the principal amount of such Series 2024 Bonds or portions thereof to be redeemed, together with accrued interest to the Redemption Date.

Mandatory Redemption

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024

B-5

B-6



Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$	.	\$

\* Maturity

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$	.	\$

\* Maturity

The Series 2024 Term Bonds maturing May 1, 20\_\_, are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the Series 2024 Sinking Fund Account established under the Eleventh Supplemental Indenture in satisfaction of applicable Amortization Installments (as defined in the Master Indenture) at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

May 1 of the Year	Amortization Installment	May 1 of the Year	Amortization Installment
	\$	.	\$

\* Maturity

As more particularly set forth in the Series 2024 Indenture, any Series 2024 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

B-7

such portions thereof on such date, interest on such Series 2024 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2024 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2024 Indenture and the Owners thereof shall have no rights in respect of such Series 2024 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 Series 2024 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.

As provided in the Series 2024 Indenture, notice of optional redemption may be conditioned upon the occurrence of non-occurrence of such event or events 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.

The Owner of this Bond shall have no right to enforce the provisions of the Master Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Series 2024 Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2024 Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Series 2024 Indenture, the principal of all the Series 2024 Bonds then Outstanding under the Series 2024 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 six (6) years after the date when such Bond has become due and payable, either at its stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for six (6) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Federal Securities (as defined in the Series 2024 Indenture) sufficient to pay the principal or redemption price of any Bonds becoming due at maturity or by call for redemption in the manner set forth in the Series 2024 Indenture, together with the interest accrued to the due date, the lien of the Series 2024 Bonds as to the Series 2024 Trust Estate shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Series 2024 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.

B-9

Amortization Installment of Series 2024 Bonds. Amortization Installments are also subject to recalculation, as provided in the Eleventh Supplemental Indenture, as the result of the redemption of Series 2024 Bonds so as to reamortize the remaining Outstanding principal balance of the Series 2024 Bonds as set forth in the Eleventh Supplemental Indenture.

Extraordinary Mandatory Redemption

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

(a) on or after the Date of Completion (as defined in the Master Indenture) of the Series 2024 Project, by application of moneys allocable to the Series 2024 Project transferred from the Series 2024 Acquisition and Construction Account in the Acquisition and Construction Fund established under the Series 2024 Indenture, to the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account together with moneys deposited therein in accordance with the provisions of the Eleventh Supplemental Indenture, as a result of the reduction of the Series 2024 Reserve Account Requirement from other than the occurrence(s) of the Reserve Release Conditions #1 or Reserve Release Conditions #2. If such redemption shall be in part, the District shall select such principal amount of Series 2024 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2024 Bonds is substantially level.

(b) from Prepayments (as defined in the Master Indenture) or other moneys deposited into the Series 2024 Prepayment Subaccount of the Series 2024 Redemption Account. If such redemption shall be in part, the District shall select such principal amount of Series 2024 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2024 Bonds is substantially level.

(c) on the date on which the amount on deposit in the Funds and Account (other than the Series 2024 Rebate Account and the Series 2024 Acquisition and Construction Account) are sufficient to pay and redeem all of the Series 2024 Bonds then Outstanding, including accrued interest thereon.

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

Notice of each redemption of Series 2024 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the Redemption Date to each registered Owner of Series 2024 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 Series 2024 Indenture, the Series 2024 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 2024 Bonds or

B-8

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

B-10

**CERTIFICATE OF VALIDATION**

This Bond is one of a Series of Bonds which were validated by judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte County, Florida, rendered on April 1, 2008, as subsequently amended and supplemented in a final judgment of the Circuit Court of the Twentieth Judicial Circuit of Florida in and for Charlotte, Collier, Glades, Hendry and Lee Counties, rendered on December 2, 2020.

\_\_\_\_\_  
Bill Vander May  
Chair

**[FORM OF ABBREVIATIONS FOR SERIES 2024 BONDS]**

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 \_\_\_\_\_

Additional abbreviations may also be used though not in the above list.

**[FORM OF ASSIGNMENT FOR SERIES 2024 BONDS]**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ this 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 whatever.

B-11

B-12

**EXHIBIT C**

**FORM OF INVESTOR LETTER**

[Date]

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

Re: \$ \_\_\_\_\_ Babcock Ranch Community Independent Special District Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project)

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the "Investor") of \$ \_\_\_\_\_ of the above-referenced Bonds [state maturing on \_\_\_\_\_, bearing interest at the rate of \_\_\_\_\_% per annum and CUSIP #] (herein, the "Investor Bonds").

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1. The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.

2. The Investor meets the criteria of an "accredited investor" as described in one or more of the categories derived from Rule 501(a) under Regulation D of the Securities Act of 1933, as amended (the "Securities Act") summarized below, and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

a bank, registered broker, dealer or investment adviser (or investment adviser exempt from registration under Section 203(l) or (m) within the meaning of the Investment Advisers Act of 1940), insurance company, registered investment company, business development company, small business investment company; or rural business investment company;

an employee benefit plan, within the meaning of the Employee Retirement Income Security Act of 1974, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the employee benefit plan has total assets in excess of \$5 million;

an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, corporation, Massachusetts or similar business trust partnership, or

limited liability company, not formed for the specific purpose of acquiring the Investor Bonds with assets exceeding \$5 million;

a business in which all the equity owners are "accredited investors";

a natural person who has individual net worth, or joint net worth with the person's spouse or spousal equivalent, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person, except that mortgage indebtedness on the primary residence shall not be included as a liability;

a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse or spousal equivalent exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year;

a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person;

an entity, of a type other than those set forth above, that owns investments in excess of \$5,000,000 and that was not formed for the specific purpose of acquiring the Investor Bonds;

a natural person holding in good standing one or more professional certifications or designations or credentials from a designated accredited educational institution qualifying an individual for "accredited investor" status;

a "family office" with at least \$5,000,000 in assets under management, that was not formed for the specific purpose of acquiring the Investor Bonds, and whose prospective investment is directed by a person capable of evaluating the merits and risks of the prospective investment; or

a "family client" of a family office described in the prior bullet point whose prospective investment is directed by that family office.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated November 4, 2024 of the Issuer and relating to the Bonds (the "Offering Document") and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Series 2024 Indenture.

Very truly yours,  
[Name], [Type of Entity]  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_  
Or  
\_\_\_\_\_  
[Name], an Individual

**EXHIBIT D**  
**FORM OF REQUISITION**

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT**  
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024**  
**(SERIES 2024 PROJECT)**  
**COSTS OF ISSUANCE REQUISITION**

The undersigned, an Authorized Officer of Babcock Ranch Community Independent Special District (the "District"), hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of December 1, 2015 (the "Master Indenture"), as amended and supplemented from time to time, particularly as supplemented by the Eleventh Supplemental Trust Indenture by and between the District and the Trustee, dated as of November 1, 2024 (the "Eleventh Supplemental Indenture" and, together with the Master Indenture, the "Series 2024 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2024 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):

*Costs of Issuance for Series 2024 Bonds*

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

*Series 2024 Costs of Issuance Account*

The undersigned hereby certifies that this requisition is for Costs of Issuance payable from the Series 2024 Costs of Issuance Account that has not previously been paid.

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

C-3

D-1

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.

**BABCOCK RANCH COMMUNITY**  
**INDEPENDENT SPECIAL DISTRICT**

By: \_\_\_\_\_  
Authorized Officer

**BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT**  
**SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2024**  
**(SERIES 2024 BONDS)**  
**SERIES 2024 ACQUISITION AND CONSTRUCTION ACCOUNT REQUISITION**

The undersigned, an Authorized Officer of Babcock Ranch Community Independent Special District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of December 1, 2015 (the "Master Indenture"), as amended and supplemented from time to time, particularly as supplemented by the Eleventh Supplemental Trust Indenture by and between the District and the Trustee, dated as of \_\_\_\_\_ 1, 2024 (the "Eleventh Supplemental Indenture" and, together with the Master Indenture, the "Series 2024 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2024 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:

*Series 2024 Acquisition and Construction Account*

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 2024 Acquisition and Construction Account, that each disbursement set forth above was incurred in connection with the acquisition and construction of a portion of the Series 2024 Project and each represents a Cost of the Series 2024 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.

D-2

D-3

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.

**BABCOCK RANCH COMMUNITY  
INDEPENDENT SPECIAL DISTRICT**

By: \_\_\_\_\_  
Authorized Officer

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

If this requisition is for a disbursement for other than Capitalized Interest or Costs of Issuance, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Series 2024 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2024 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer attached as an Exhibit to the Limited Offering Memorandum dated November [ ], 2024, as such report shall have been amended or modified on the date hereof. The Consulting Engineer further certifies and agrees that for any acquisition (a) the portion of the Series 2024 Project that is the subject of this requisition is complete, and (b) the purchase price to be paid by the District for the portion of the Series 2024 Project to be acquired with this disbursement is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements.

[THIS PAGE INTENTIONALLY LEFT BLANK]

By: \_\_\_\_\_  
Consulting Engineer

**APPENDIX B**

**FORM OF OPINION OF BOND COUNSEL**

[THIS PAGE INTENTIONALLY LEFT BLANK]

[Date of Delivery]

Governing Board

Babcock Ranch Community Independent Special District  
Charlotte and Lee Counties, Florida

Re: \$\_\_\_\_\_ Babcock Ranch Community Independent Special District (Charlotte County, Florida) Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project)

Ladies and Gentlemen:

We have acted as Bond Counsel in connection with the issuance by the Babcock Ranch Community Independent Special District (the "District") of its \$\_\_\_\_\_ original principal amount of Special Assessment Revenue Bonds, Series 2024 (Series 2024 Project) (the "Series 2024 Bonds"), issued and delivered on this date pursuant to Chapter 2007-306, Laws of Florida, effective on June 27, 2007, as amended by Chapter 2016-257, Laws of Florida, effective on March 25, 2016 (collectively, the "Act"). The Series 2024 Bonds are being issued pursuant to the Act, Resolution Nos. 2008-04, 2020-19 and 2024-89 adopted by the Governing Board of the District (the "Board") on November 1, 2007, July 30, 2020 and September 30, 2024, respectively (collectively, the "Resolution"). The Series 2024 Bonds are being issued and secured under that certain Master Trust Indenture, dated as of December 1, 2015 (the "Master Indenture"), as supplemented by that certain Eleventh Supplemental Trust Indenture, dated as of November 1, 2024 (together with the Master Indenture, the "Series 2024 Indenture"), each by and between the District and U.S. Bank Trust Company, National Association, as successor in interest to U.S. Bank National Association, as trustee. Capitalized terms used herein without definitions have the meanings ascribed thereto in the Series 2024 Indenture.

The Series 2024 Bonds are being issued for the primary purpose of financing the Series 2024 Project.

To secure the payment of the Series 2024 Bonds, and subject to the terms of the Series 2024 Indenture, the District has pledged to the Holders of the Series 2024 Bonds, and granted a lien to the Holders of the Series 2024 Bonds on, the Series 2024 Trust Estate, which is comprised of the Series 2024 Pledge Revenues and the Series 2024 Pledged Funds.

In connection with this opinion, we have examined the Act, certified copies of the Resolution, the Series 2024 Indenture, the Arbitrage Certificate, a transcript of the proceedings related to the issuance of the Series 2024 Bonds and such other documents and opinions as we have deemed necessary to render this opinion, and are relying on certain findings, covenants and agreements of the District set forth therein and such certified copies of the proceedings of the District and such other documents and opinions as we have deemed necessary to render this

opinion. As to questions of fact material to our opinion, we have relied upon representations of the District furnished to us, without undertaking to verify such representations by independent investigation. We have also relied upon certain certifications and representations provided by Babcock Property Holdings, L.L.C., a Delaware limited liability company, without undertaking to verify such representations by independent investigation.

In connection with the execution and delivery of the Series 2024 Bonds, in our capacity as Bond Counsel, we have been requested to render the opinions contained in this letter. The opinions set forth below are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the federal income tax laws of the United States of America.

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

1. The District has the power to authorize, execute and deliver the Series 2024 Indenture, to perform its obligations thereunder and to issue the Series 2024 Bonds.

2. The Series 2024 Indenture has been duly authorized, executed and delivered by the District. The Series 2024 Indenture creates a valid pledge of the Series 2024 Trust Estate with respect to the Series 2024 Bonds and constitutes a valid and binding obligation of the District enforceable against the District in accordance with its terms.

3. The issuance and sale of the Series 2024 Bonds have been duly authorized by the District and, assuming the due authentication thereof, the Series 2024 Bonds constitute valid and binding limited obligations of the District, payable in accordance with, and as limited by, the terms of the Series 2024 Indenture.

4. The Internal Revenue Code of 1986, as amended (herein, the "Code") includes requirements which the District must continue to meet after the issuance of the Series 2024 Bonds in order that interest on the Series 2024 Bonds not be included in gross income for federal income tax purposes. The failure of the District to meet these requirements may cause interest on the Series 2024 Bonds to be included in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted in the Series 2024 Indenture to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2024 Bonds.

Under existing statutes, regulations, rulings and court decisions, subject to the assumption stated in the following paragraph, interest on the Series 2024 Bonds is excludable from the gross income of the owners thereof for federal income tax purposes. Furthermore, interest on the Series 2024 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. In the case of the alternative minimum tax imposed by Section 55(b)(2) of the Code on applicable corporations (as defined in Section 59(k) of the Code), interest on the Series 2024 Bonds is not excluded from the determination of adjusted financial statement income.



In rendering the opinion expressed above, we have assumed continuing compliance with the tax covenants referred to above that must be met after the issuance of the Series 2024 Bonds in order that interest on the Series 2024 Bonds not be included in gross income for federal income tax purposes.

5. The Series 2024 Bonds and interest thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes imposed by Chapter 220, Florida Statutes, as amended, on interest, income or profits on debt obligations owned by corporations as defined in Chapter 220.

Except as stated in paragraphs 4 and 5 above, we express no opinion regarding federal or state tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of the Series 2024 Bonds.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, documents and proceedings.

The opinions set forth herein are subject to state and federal laws relating to bankruptcy, insolvency, reorganization, moratorium and similar laws, and to equitable principles, affecting the enforcement of creditors' rights generally, and to the exercise of judicial discretion in appropriate cases.

We wish to call to your attention that the Series 2024 Bonds are limited obligations of the District payable solely from the Series 2024 Trust Estate, and neither the full faith and credit nor the taxing power of the District, Charlotte and Lee Counties, Florida, the State of Florida or any other political subdivision thereof is pledged as security for the payment of the Series 2024 Bonds. The Series 2024 Bonds do not constitute an indebtedness of the District within the meaning of any constitutional or statutory provision or limitation.

We express no opinion herein with respect to any other document or agreement entered into by the District or by any other person in connection with the Series 2024 Bonds, other than as expressed herein.

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

Respectfully submitted,

[THIS PAGE INTENTIONALLY LEFT BLANK]

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

[THIS PAGE INTENTIONALLY LEFT BLANK]

# **Engineer's Report for Phase VII –**

## **Project Area:**

**Charlotte County - MidTown - Parcel 1,2,3, and 4;**

**Charlotte County – Webbs Reserve;**

**Lee County – Lee County Parcels 1 and 2;**

**Supplement to Phase VI Project Area (Lee County – DiVosta Parcel  
– Phase 2; and**

**Charlotte County – Tuckers Cove (Phase 1C & 1D)**

# **Babcock Ranch Community Independent Special District**

May 2024, amended October 2024

## **Prepared for**

Governing Board

Babcock Ranch Community Independent Special District

## **Prepared by**

**KIMLEY-HORN & ASSOCIATES**

**1514 Broadway, Suite 301**

**FORT MYERS, FL 33901**

# TABLE OF CONTENTS

INTRODUCTION.....3

BRCISD BOUNDARY AND PROPERTY SERVED..... 7

DESCRIPTION OF SERIES 2018 PROJECT.....8

OWNERSHIP AND MAINTENANCE.....10

PERMITTING.....10

OPINIONS OF PROBABLE CONSTRUCTION COST.....12

SUMMARY AND CONCLUSION.....19

ENGINEER S CERTIFICATION.....19

ATTACHMENT

EXHIBITS

# INTRODUCTION

## Purpose

The purpose of this report is to amend the report dated May 2024 to remove the Lee County Parcel 3 scope to account for changes to the development plan and timing and to describe the gross 1,189 +/- acres comprising of Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, and Webbs Reserve, (hereinafter collectively referred to as “Phase VII”) and Tuckers Cove (Phase 1C & 1D), and DiVosta Parcel Phase 2 (hereinafter collectively referred to as supplement to “Phase VI”) of Babcock Ranch Community Independent Special District (hereinafter referred to as “BRCISD”) which is located east of State Road 31 in Charlotte County and Lee County, Florida. The report will also describe the capital improvements to be constructed and financed by the BRCISD and their probable construction cost. The capital improvements described herein includes the master improvements necessary for the development of portions of Phase VI and Phase VII as well as neighborhood improvements that will specially benefit the Tuckers Cove (Phase 1C & 1D) Parcel. This report also describes the portion of the improvements that will be financed by the Series 2024 Bonds (as hereinafter defined).

## General Description of the Proposed Development

The Project Area is located in Charlotte and Lee County east of State Road 31, with MidTown Parcels 1,2,3 and 4 located east of Phase VI (Village 2), Lee County Parcels 1 and 2 are located south of VI (Village 2) and Phase 5 (Crescent Grove) and northeast of Phase VI (Divosta). Tuckers Cove (Phase 1C & 1D) Parcel located northeast of Phase 3 (Babcock National) and north of Phase VI (Village 2). DiVosta Parcel (Phase 2) located within Lee County in the southwest section of Babcock. The development of infrastructure for Phase 1A commenced in 2015 and the development of infrastructure for Phase 2A commenced in 2018, The development of infrastructure for 2B and 3A commenced in 2019, Phases 2C and 3B commenced in 2020, and the Series 2022 Project portion of Phase VI in 2022. Phases 1A, 2A, 2B, 2C, 2D, 4, and 5 are substantially complete with only general punch-list items and final top course of roadways remaining in select section. Phases 3C, 3D and 3E are currently under construction with the majority of the infrastructure complete and nearing completion of home construction, the location of Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, Tuckers Cove (Phase 1C & 1D), Webbs Reserve, and DiVosta Parcel Phase 2, as well as their proximity to the previous assessment areas is shown in Exhibit 1.

The development of Phase VII and additional portion of Phase VI will include single-family, twin villa, and multifamily residential units, stormwater management systems, utility infrastructure, and landscaped roadways. Specifically, Lee County Parcel 1 is comprised of approximately 124.92 gross acres planned for 249 residential units, Lee County Parcel 2 comprised of approximately 175.77 gross acres planned for 124 residential units, MidTown Parcel 1 is comprised of approximately 58.0 gross acres planned for 220 residential units, MidTown Parcel 2 is comprised of approximately 58.55 gross acres planned for 231 residential units, MidTown Parcel 3 is comprised of approximately 32.89 gross acres planned for 146 residential units, MidTown Parcel 4 is comprised of approximately 30.62 gross acres planned for 222 residential units, Tuckers Cove (Phase 1C & 1D) is comprised of approximately 107.0 gross acres planned for 383 residential units, Webbs Reserve is comprised of approximately 416.9 gross acres planned for 1202 residential units, and DiVosta Parcel Phase 2 is comprised of approximately 184.25 gross acres planned for 500 residential units.

Only those portions of the public infrastructure improvements associated with the development of Phase 1 of Webbs Reserve, which contains 149.85 +/- acres and is planned for 398 residential units, will be part of the Series

2024 Project (as defined herein). Additional phases of Webbs Reserve are anticipated to be funded by future bond issuances.

Phase VII will encompass the areas shown in Exhibit 2. The BRCISD will construct or acquire, operate, and maintain portions of the infrastructure to support the proposed development. See "Ownership and Maintenance" herein for more detailed information.

## Overview

At this time, the projected maximum plan of development for the land within Phase VII (referred to herein as the "Phase VII Project") includes master and a portion of the on-parcel infrastructure to service the 898+/- acres described above and approximately 2,394 residential units. The portion of Phase VI Project area includes 291 +/- acres described above and approximately 883 residential units. A portion of the Phase VII Project and a portion of the remaining Phase VI Project is anticipated to be financed by the Series 2024 Bonds (the "Series 2024 Project"). As previously provided in Engineer's Report for Phase VI – Project Area, dated February 2022 ("2022 Engineer's Report"), portion of Series 2024 Bonds will be used to fund additional portions of master infrastructure improvements of the Phase VI Project associated with development areas generally known as Trabue (which encompasses Tuckers Cove) and DiVosta (Lee County Pulte Parcel) not previously funded by Series 2022 Bonds. The remainder of the Phase VI Project and Phase VII Project is anticipated to be financed by future series of bonds as will be detailed in supplemental engineer's reports. The Series 2024 Project is comprised of only master improvements, located within and offsite of the respective parcels, no neighborhood improvements are included within the Series 2024 Project. Planned development by area is shown in the below tables. All units will benefit from the Series 2024 Project. It is anticipated that the units not included within scope of the Series 2024 Project development plan will be specially benefitted by portions of the Phase VII Project that will be financed by future bond issuances as further discussed later in this report.

<b>Lee County Parcel 1 – 124.92 ac +/-</b>		
Single Family		
50' x 130' (Front Load)	119	Units
60' x 130' (Front Load)	130	Units
<b>Total Units</b>	<b>249</b>	

<b>Lee County Parcel 2 – 175.77 ac +/-</b>		
Single Family		
120' x 130' (Front Load)	83	Units
150' x 130' (Front Load)	41	Units
<b>Total Units</b>	<b>124</b>	

<b>MidTown Parcel 1 – 58.0 ac +/-</b>		
Single Family		
40' x 130' (Front Load)	99	Units



50' x 130' (Front Load)	121	Units
<b>Total Units</b>	<b>220</b>	

<b>MidTown Parcel 2 – 58.55 ac +/-</b>		
Single Family		
40 x 130' (Front Load)	231	Units
<b>Total Units</b>	<b>231</b>	

<b>MidTown Parcel 3 – 32.89 ac +/-</b>		
Single Family		
38' x 130' (Front Load)	146	Units
<b>Total Units</b>	<b>146</b>	

<b>MidTown Parcel 4 – 30.62 ac +/-</b>		
Single Family		
30' x 130' (Front Load)	222	Units
<b>Total Units</b>	<b>222</b>	

<b>Tuckers Cove Parcel – 689.1 ac +/-</b>	
Single Family	1861
Multi-Family	404
<b>Total Units</b>	<b>2265</b>
<b>Tuckers Cove (Phase 1C &amp; 1D) Parcel – Series 2024 – 107.0 ac +/-</b>	
Single Family – Phase 1C	236
Single Family – Phase 1D	147
<b>Total Units</b>	<b>383</b>

<b>Webbs Reserve Parcel – 416.9 ac +/-</b>	
Single Family	406
Multi-Family	796
<b>Total Units</b>	<b>1202</b>
<b>Webbs Reserve Phase 1 – 149.85 ac +/-</b>	
Single Family & Town Homes	398
<b>Total</b>	<b>398</b>

<b>DiVosta Parcel – 426.1 ac +/-</b>	
Single Family	
<b>Total Units</b>	<b>1000</b>

<b>DiVosta Parcel – Series 2024</b>	
<b>184.25 ac +/-</b>	
<b>Single Family</b>	<b>500</b>
<b>Total Units</b>	<b>500</b>

The parcels comprising Phase VII and a portion of Phase VI are subdivided into nine major parcels (additional plats may be forthcoming). Anticipated land uses within each area of Phase VII and a portion of Phase VI are generally described as follows:

<b>Description</b>	<b>Area (acres)</b>
Residential	441
Lakes	293
Right-Of-Way	106
Future ROW & Lots	18
Open Space	173
Amenity	23
Golf Course	135
Preserve	0
<b>Gross BRCISD Phase VII Area</b>	<b>1,189</b>

In order to serve the residents and property owners of Phase VII and a portion of Phase VI, the BRCISD is developing a Capital Improvement Program (hereinafter referred to as the “Program”) for the financing, construction and maintenance of certain improvements and facilities within, and adjacent to, each of the nine parcels, Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, Tuckers Cove Phase 1C and 1D, Webbs Reserve, and DiVosta Parcel Phase 2 as described below. These improvements are required by, or are consistent with, the requirements of Charlotte County and/or Lee County, Florida, the South Florida Water Management District (SFWMD), the Florida Department of Transportation (FDOT), Babcock Ranch Community Independent Special District (BRCISD) and other applicable, regulatory, and jurisdictional entities. Brief descriptions of the improvements are included in the body of this report.

The Program contained in this report reflects the present intentions for the development of Phase VII and portion of Phase VI. The exact location of facilities may be modified during the course of approval and implementation, but these changes will not diminish or alter the benefits to be received by the land. BRCISD retains the right to make reasonable adjustments in the Program to meet the requirements of any governmental agency while providing the same or greater benefits to the land. Regulatory criteria will continue to evolve, and future changes may affect the implementation of the Program, as it may be changed from time to time. The implementation of any improvement outlined within the Program requires the final approval of the BRCISD’S Board of Governors.

Costs contained in this report have been prepared based on opinions of probable costs using available

information. It is possible that the probable costs could vary based on final engineering and ultimate construction bids.

A summary of the total Program of improvements and associated opinions of probable cost are included in Attachment 1.

## **BRCISD BOUNDARY AND PROPERTY SERVED**

### **BRCISD Boundary**

Exhibit 2 illustrates the boundaries of each component of Phase VI and Phase VII. Lee County Parcels 1 and 2 lying east of Divosta, the MidTown Parcels 1,2,3, and 4 located east of the Village 2 Parcels and southeast of Webbs Reserve. Tuckers Cove and Webbs Reserve Parcels located east of Phase 3A (Babcock National) and north of the Village 2 parcels. DiVosta Parcel located within Lee County in the southwest section of Babcock. State Road 31 lies to the west of the property, and to the east and west of the subject property is the Curry Lake Canal proposed conservation easement. The parcels are located within Charlotte and Lee Counties.

### **Property Served**

The site is currently agricultural and undeveloped land. Unpaved roads currently traverse the site. Offsite access to the site consists of access via BRCISD roadways, some of which were completed with Phase 1A and the Series 2022 Project component of Phase VI. Internal access to the site exists via unpaved roads. The terrain elevations fall from north to south, with elevations ranging from approximately 30 to 17 ft. North American Vertical Datum 1988 (NAVD).

Construction of the proposed Phase VII Project will commence in the fourth quarter of 2024. The infrastructure within the Phase VII Project and a portion of the remaining master improvements within Phase VI, including storm water management systems, parks, and landscaped roadways, will include the infrastructure connecting the nine phases, Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, Tuckers Cove Phase 1C and 1D, Webbs Reserve, and DiVosta Parcel Phase 2 to each other and to the existing infrastructure in prior phases. The Phase VII lands will also be served by master infrastructure that was included in the 2015, 2016, 2017,2018, 2019, 2020, 2021 and 2022 Projects as the master infrastructure improvements are a system of improvements. The initial development in Phase VII will be platted to include single family lots, twin-villa lots, multi-family buildings, streets, open space, trails, and parks. It is anticipated that all parcels will commence construction by late 2024, into mid-2025. The majority of the parcels are currently in permitting and planned to include single family lots, villas, multi-family, streets, stormwater infrastructure and open space.

### **Existing Utility Infrastructure**

Currently, there are water, wastewater, and reuse utilities providing service to Phase 1, Phase 2A, Phase III and Phase IV, Phase V and Phase VI. There is also existing power service within the same area, but additional infrastructure will need to be put in place to service Phase VII. Florida Power and Light (FPL) will be providing new electric utility infrastructure to support the future development in Phase VII. There is an

existing network of roadways within Phase 1, Phase 2A, Phase III, Phase IV, Phase V and Phase VI that provide the road infrastructure to access the entrance into Divosta, however no roadways internal to Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, Tuckers Cove Phase 1C and 1D, Webbs Reserve exist at this time. The existing series of lakes, partially within Phases V and VI will be utilized for stormwater treatment and attenuation in addition to onsite lakes, and additional offsite adjacent lakes. A Conceptual Environmental Resource Permit (ERP) was issued September 23, 2021 which includes the area of Phases I, II, III, IV, V and VI. Nine (9) water control structures have been installed, as part of the Phase VI improvements, to prepare the lakes for this development. It is anticipated that seven (7) control structures will be needed in addition to the current control structures in place for the remaining portion of Phase VI and proposed Phase VII development areas, additionally, changes in the weir openings may be necessary to maintain proper drainage for the entire site.

Potable water, sanitary sewer, and irrigation quality (IQ) water will be provided by Babcock Ranch Water Utilities, a department of BRCISD, through BRCISD's agreement with MSKP Town and Country Utilities, LLC, and Babcock Ranch Irrigation, LLC, which owns the treatment plant and spine infrastructure.

## **DESCRIPTION OF PHASE VII PROJECT**

### **Summary of Phase VII**

The proposed Phase VII Project infrastructure is a network of roadways, drainage systems, and stormwater management facilities, sanitary sewer collection systems, potable water distribution systems, irrigation distribution systems, and wire utility conduit. It also includes the access to parks, open space areas, and sidewalks and trails. The portion of the Phase VII Project that consists of capital costs for public improvements to be funded by BRCISD and owned and operated by BRCISD, or other local or state governmental entity, will be referred to herein as the capital improvement program ("CIP").

### **Water, Sanitary Sewer, Irrigation Water Supply Systems**

Transmission lines servicing sanitary sewer, potable water transmission lines, and IQ water supply systems are included within the Phase VII and Series 2024 Project. All such costs including total distribution and collection (local utility) costs will be funded by Babcock Property Holdings, LLC, the (the "Developer") and owned by MSKP Town and Country Utilities, LLC, and Babcock Ranch Irrigation, LLC, and are not included in the CIP.

### **Power Distribution Systems**

Power distribution improvement are included in the Phase VII and Series 2024 Project. The power distribution systems will be funded by the Developer. No power distribution has been included in the Series 2024 CIP.

### **Telecommunication Systems**

Telecommunications improvement are in the Series 2024 Project. Conduit for the distribution will be funded by Developer and is not included in the CIP.

## **Stormwater Management Systems and Roadways**

The stormwater management system will include master drainage systems within and abutting Phase VII, as well as the portion of the drainage systems lying within Phase 1, Phase 2A, Phase III, Phase IV, Phase V, and Phase VI which are necessary and will be utilized by the area described herein and is included in the CIP. The stormwater management systems will be constructed in accordance with Florida Department of Environmental Protection (FDEP), Babcock Ranch Community Independent Special District (BRCISD), and SFWMD standards for stormwater quality treatment and flood control. The ERP approved drainage plan is referenced in Exhibit 3. All roads will be designed and will be constructed in accordance with applicable jurisdictional agency standards (i.e., Charlotte County, ISD and FDOT), and be publicly accessible roads and are included in the CIP. Typically, but not limited to, roadway construction will include sub-grade base, curbing, sidewalks, signage, striping, landscaping, landscape irrigation, and lighting. The proposed roadway plan is referenced in Exhibit 4. Master transportation improvements will consist of right-of-way dedications, entrance intersection construction, traffic signals when warranted, and drainage facilities to support those improvements.

## **Streetscape, Landscape & Hardscape**

Streetscape and landscape improvements will take place outside of the Phase VII area to benefit the area and will include street landscaping, signage within public areas and are included in the CIP, and landscaping of common areas. Landscape and streetscape elements will be provided along all new roadways outside of the Phase VII area that connect the areas within the Phase. Landscaping will include canopy and understory trees, shrubs and ground cover within the streets and public spaces. Streetscape features included in the Phase VII Project are to be constructed along the corridors outside of Phase VII that will serve the Phase VII area and may include decorative pavers at specific locations, decorative streetlights, wayfinding signage, trash receptacles and benches.

## **Open Space (Parks)**

Development plans that have been implemented and are being implemented in the future include improvements creating neighborhood parks with special landscape and hardscape features, greenspace with linear parks, and trails that will be utilized by Phase VII owners. Additional improvements to these facilities that service the Phase VII area are part of both the Phase VII Project and the Series 2024 Project. Open Space Improvements have been included in the CIP and are open to, and accessible by, the general public.

## **Water Features**

Phase 1, Phase 2A, Phase III, Phase IV, Phase V and Phase VI included improvements to the existing onsite lakes. These lakes will be utilized for stormwater treatment and attenuation that also serve Phase VII. This work included lake bank reclamation and additional excavation within the existing lakes. Additional improvements to these facilities that service the Phase VII area are part of both the Phase VII Project and the Series 2024 Project and have been included in the CIP and will be owned and maintained by BRCISD.

## **Miscellaneous Improvements**

In addition to items above, miscellaneous improvements will be constructed, such as earthwork not previously addressed, on-site clearing and grubbing, exotic species removal, and required on-site

environmental mitigation and professional fees.

## OWNERSHIP AND MAINTENANCE

BRCISD will finance the construction of the improvements or acquire completed improvements from the Developer or in limited instances its assigns. It will then own, operate, and maintain or transfer the improvements to the following entity for operation and maintenance:

<b>Babcock Ranch</b>			
<b>Phase VII Project Ownership, Operation, &amp; Maintenance Assignment</b>			
	<b>Own</b>	<b>Operate</b>	<b>Maintain</b>
Utilities** (water, wastewater, reuse)	TCU/BRI	TCU/BRI	TCU/BRI
Power Distribution*	FPL	FPL	FPL
Telecommunication*	BRCISD	LUMEN	LUMEN
Stormwater Management System/Drainage	BRCISD	BRCISD	BRCISD
Roadway	BRCISD	BRCISD	BRCISD
Streetscape/LA	BRCISD	BRCISD	BRCISD
Parks	BRCISD	BRCISD	BRCISD
Water Features	BRCISD	BRCISD	BRCISD

\*These utilities will be funded by the Developer.

\*\* These utilities will be funded by the Developer and Utility.

Other improvements are within the Phase VII boundary but not financed by the BRCISD or included in the Series 2024 Project, including, but not limited to private landscape areas, private irrigation systems, parking lots and driveways, private drainage systems and backflow preventers will belong to, and be maintained by, either the owner of the tract or by a homeowner's or property owner's association. Restoration and maintenance of roadway public improvements will be the responsibility of the BRCISD.

## PERMITTING

The permits required for the development of each parcel within Phase VII either have been obtained from the appropriate agencies or are reasonably expected to be obtained through the normal course of development. The following is a list of Permit Applications previously submitted:

<b>Agency</b>	<b>Permit Holder</b>	<b>Description</b>	<b>Issued</b>
<b>SFWMD</b>	BPH	Tract A Lake A200 01 & 02 Spine Road BB	2/14/2019
<b>FDEP</b>	BPH/T&C	Spine Road BB	3/21/2019

<b>SFWMD</b>	BPH	Tract a Lake A400-05 & A800-02 Spine Road DD & GG	7/27/2019
<b>FDEP</b>	BPH	Spine Road DD & GG	8/16/2019
<b>Charlotte County</b>	BPH	Spine Road DD & GG	10/3/2019
<b>SFWMD</b>	BPH	Spine Road HH II	3/3/2019
<b>FDEP</b>	BPH/T&C	Spine Road HH & II	5/26/2019
<b>Charlotte County</b>	BPH	Spine Road HH & II	10/2/2019
<b>SFWMD</b>	BPH	Spine Road GG1	5/30/2019
<b>FDEP</b>	BPH/T&C	Spine Road GG1	7/19/2019
<b>Charlotte County</b>	BPH	Spine Road GG1	10/2/2019
<b>SFWMD</b>	BPH	Tract A Lake A400-26 Bulk Fill	10/25/2019
<b>SFWMD</b>	BPH	Tract A Lakes A100-14, A200-14 & 15, A400-2,5,28&29, Basin 3	2/26/2020
<b>SFWMD</b>	BPH	Tracts A&B - Spine Road EE1-5, & GG 5 (Lee County Portion)	2/3/2022
<b>SFWMD</b>	BPH	Tracts A&B - Spine Road EE1-5, & GG 5 (Charlotte County portion)	11/17/2021
<b>Charlotte County</b>	BPH	Tracts A&B - Spine Road EE1-5, & GG 5 (Lee County Portion)	11/18/2021
<b>SFWMD</b>	BPH	BRC Spine Road DD18- DD19	7/6/2021
<b>FDEP</b>	BPH	BRC Spine Road DD18- DD19	6/11/2021
<b>Charlotte County</b>	BPH	BRC Spine Road DD18- DD19	3/4/2021
<b>SFWMD</b>	BPH	Spine Road DD8 & II2	10/6/2021
<b>FDEP</b>	BPH	Spine Road DD8 & II2	8/9/2021
<b>Charlotte County</b>	BPH	Spine Road DD8 & II2	11/18/2021
<b>SFWMD</b>	BPH	Tract D & E Spine Road YY1-YY3 & II3	10/7/2021
<b>FDEP</b>	BPH	Tract D & E Spine Road YY1-YY3 & II3	8/11/2021
<b>Charlotte County</b>	BPH	Tract D & E Spine Road YY1-YY3 & II3	4/8/2021

SFWMD	BPH	Tract A - Basin A800 Bulk Fill	6/28/2019
-------	-----	--------------------------------	-----------

# OPINIONS OF PROBABLE CONSTRUCTION COST

BRCISD anticipates the Phase VII project will be financed by multiple series of bonds, the first of which will be issued in 2024 (the “Series 2024 Bonds”). It is also anticipated the Series 2024 Bonds will finance a portion of the remaining Phase VI Project. It is anticipated that additional series of bonds will be issued to fund additional portions of the Phase VI Project associated with the development of the future phases of Tuckers Cove. The Series 2024 Project master improvements will be financed by bonds secured by assessments levied over Lee County Parcels 1 and 2, MidTown Parcels 1,2,3, and 4, Tuckers Cove (Phase 1C and 1D), Webbs Reserve and DiVosta Parcel Phase 2. Accordingly, the costs of the Phase VII Project and a remaining portion of Phase VI Project which collectively comprise the Series 2024 Project have been allocated below in accordance with each parcel’s respective projected use and proportionate share of the Phase VI, Phase VII and Series 2024 Project improvements as depicted below in the Opinions of Probable cost. Due to construction schedules, the Phase VII Project and Series 2024 Project have been allocated to the parcels based on construction timelines. The Phase VII Project is depicted below. The Series 2024 Project, the portion of the Phase VII Project to be financed in part by the Series 2024 Bonds is also depicted below.

Opinions of Probable Cost for the proposed improvements are provided below. The opinions of cost are based on unit prices currently being experienced for ongoing and similar items of work in the area. Quantities have been determined using the best available information at this time. That information ranges from construction level plans to concept plans and written descriptions of improvements. The labor market, future costs of equipment and materials, and the actual construction process are all beyond the engineer’s control. Due to this inherent opportunity for fluctuation in cost, the total final cost may be more or less than this estimate.

## Clearing, Grubbing, and Earthwork

In general, clearing, grubbing, and earthwork costs include: Clearing public infrastructure development areas in Phase VII, debris disposal, site BMPs and excavation of the lakes. Contingency and mobilization are also included as part of the costs. The CIP does not include the cost of the transportation or use of fill for private lots or the grading of any private lots. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VI Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer’s reports. Cost included in master Clearing, Grubbing, and Earthwork for Tuckers Cove Parcel includes previously described neighborhood improvements from the Phase VI Project that are comprised of onsite Master infrastructure.

---

<b>Total Phase VII and Portion of Phase VI Master Clearing Grubbing, and Earthwork.....</b>	<b>\$90,163,000</b>
Total Lee County Parcel 1 .....	\$4,189,000
Total Lee County Parcel 2 .....	\$6,526,000



Total Lee County Parcel 3 .....	\$5,677,000
Total MidTown Parcel 1 .....	\$2,862,000
Total MidTown Parcel 2 ..	\$2,305,000
Total MidTown Parcel 3 .....	\$949,000
Total MidTown Parcel 4 .....	\$1,588,000
Total Tuckers Cove Parcel.....	\$34,944,000
Webbs Reserve Parcel (Phase 1).....	\$12,635,000
Total DiVosta (Phase 2) Parcel.....	\$688,000

<b>Total Series 2024 Master Clearing Grubbing, and Earthwork.....</b>	<b>\$26,897,636</b>
Total Lee County Parcel 1 .....	\$4,189,000
Total Lee County Parcel 2 .....	\$6,526,000
Total MidTown Parcel 1 .....	\$2,862,000
Total MidTown Parcel 2 ..	\$2,305,000
Total MidTown Parcel 3 .....	\$949,000
Total MidTown Parcel 4 .....	\$1,588,000
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$3,582,000
Webbs Reserve Parcel (Phase 1).....	\$3,883,635.61
Total DiVosta (Phase 2) Parcel.....	\$413,000

## Entry Features and Wayfinding

In general, the estimated costs for entry features and wayfinding includes capital expenditures expected to be levied in the current year. Such improvements include: hardscape, pavers, lighting, and signage. Contingency and mobilization are also taken into account. All costs are included in both the Phase VII and portion of Phase VI comprising the Series 2024 Project. Because the DiVosta parcel is anticipated to be a gated community and abuts SR 31, it is not anticipated that additional wayfinding will be allocated to DiVosta as part of the Series 2024 Project.

<b>Total Phase VII and Portion of Phase VI Master Entry Features and Wayfinding.....</b>	<b>\$1,067,000</b>
Total Lee County Parcel 1 .....	\$81,000
Total Lee County Parcel 2 .....	\$81,000
Total MidTown Parcel 1 .....	\$81,000
Total MidTown Parcel 2 ..	\$81,000
Total MidTown Parcel 3 .....	\$81,000

Total MidTown Parcel 4	\$81,000
Total Tuckers Cove Parcel	\$500,000
Webbs Reserve Parcel (Phase 1)	\$81,000
Total DiVosta (Phase 2) Parcel	\$0

**Total Series 2024 Master Entry Features and Wayfinding.....\$593,820.30**

Total Lee County Parcel 1	\$81,000
Total Lee County Parcel 2	\$81,000
Total MidTown Parcel 1	\$81,000
Total MidTown Parcel 2 ..	\$81,000
Total MidTown Parcel 3	\$81,000
Total MidTown Parcel 4	\$81,000
Total Tuckers Cove (Phase 1C & 1D) Parcel	\$81,000
Webbs Reserve Parcel (Phase 1)	\$26,820.30
Total DiVosta (Phase 2) Parcel	\$0

## Mitigation

In general, the estimated costs for mitigation include: cost of mitigating (through the clearing of non-native and invasive plants, and the necessary upkeep of the area through controlled means such as controlled burns) offsite lands owned by BRCISD and within BRCISD, consistent with local, state, and federal permitting requirements. Mitigation activities include both initial clearing of non-native invasive species and continuing maintenance. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VI Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer's reports.

**Total Phase VII and Portion of Phase VI Master Mitigation.....\$5,579,000**

Total Lee County Parcel 1	\$0
Total Lee County Parcel 2	\$0
Total MidTown Parcel 1	\$0
Total MidTown Parcel 2 ..	\$0
Total MidTown Parcel 3	\$0
Total MidTown Parcel 4	\$0
Total Tuckers Cove Parcel	\$3,853,000
Webbs Reserve Parcel (Phase 1)	\$0
Total DiVosta (Phase 2) Parcel	\$1,726,000

**Total Series 2024 Master**

<b>Mitigation.....</b>	<b>\$1,036,000</b>
Total Lee County Parcel 1 .....	\$0
Total Lee County Parcel 2 .....	\$0
Total MidTown Parcel 1 .....	\$0
Total MidTown Parcel 2 ..	\$0
Total MidTown Parcel 3 .....	\$0
Total MidTown Parcel 4 .....	\$0
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$0
Webbs Reserve Parcel (Phase 1).....	\$0
Total DiVosta (Phase 2) Parcel.....	\$1,036,000

## Offsite Improvements

The offsite improvement costs include the required improvements to roadways; the design, permitting and construction of the stormwater management lakes for roadway expansion; the design, permitting and construction of trails, greenways, and parks that will services the community; and offsite intersection improvements to accommodate the Phase VII and are included in the CIP. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VI Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer's reports.

### Total Phase IV Master and Portion of Phase VI Series 2024 Offsite

<b>Improvements.....</b>	<b>\$21,718,000</b>
Total Lee County Parcel 1 .....	\$241,000
Total Lee County Parcel 2 .....	\$120,000
Total MidTown Parcel 1 .....	\$212,000
Total MidTown Parcel 2 ..	\$223,000
Total MidTown Parcel 3 .....	\$141,000
Total MidTown Parcel 4 .....	\$215,000
Total Tuckers Cove Parcel.....	\$13,404,000
Webbs Reserve Parcel (Phase 1).....	\$1,161,000
Total DiVosta (Phase 2) Parcel.....	\$6,002,000

### Total Series Master Series 2024 Offsite Improvements.....

<b>Improvements.....</b>	<b>\$5,505,424.29</b>
Total Lee County Parcel 1 .....	\$241,000
Total Lee County Parcel 2 .....	\$120,000
Total MidTown Parcel 1 .....	\$212,000

Total MidTown Parcel 2 ..	\$223,000
Total MidTown Parcel 3	\$141,000
Total MidTown Parcel 4	\$215,000
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$570,000
Webbs Reserve Parcel (Phase 1).....	\$584,424.29
Total DiVosta (Phase 2) Parcel.....	\$3,600,000

## Master Storm

In general, the estimated costs for the master storm include master stormwater improvements and permitting, reclamation of existing lake banks and master stormwater infrastructure to service the overall community drainage system. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VI Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer’s reports.

<b>Total Phase VII and Portion of Phase VI Master Storm.....</b>	<b>\$26,571,000</b>
Total Lee County Parcel 1 .....	\$1,133,000
Total Lee County Parcel 2 .....	\$564,000
Total MidTown Parcel 1	\$1,001,000
Total MidTown Parcel 2 ..	\$1,050,000
Total MidTown Parcel 3	\$664,000
Total MidTown Parcel 4	\$1,010,000
Total Tuckers Cove Parcel.....	\$11,212,000
Webbs Reserve Parcel (Phase 1).....	\$5,467,000
Total DiVosta (Phase 2) Parcel.....	\$4,470,000
<b>Total Series 2024 Master Storm.....</b>	<b>\$11,654,204.66</b>
Total Lee County Parcel 1 .....	\$1,133,000
Total Lee County Parcel 2 .....	\$564,000
Total MidTown Parcel 1	\$1,001,000
Total MidTown Parcel 2 ..	\$1,050,000
Total MidTown Parcel 3	\$664,000
Total MidTown Parcel 4	\$1,010,000
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$1,631,000
Webbs Reserve Parcel (Phase 1).....	\$1,692,464.66

Total DiVosta (Phase 2) Parcel.....\$2,681,000

## Landscaping

In general, the estimated costs for landscaping include: landscape and planters within BRCISD-owned areas, Parks, trails, and open space within BRCISD-owned areas. Landscaping costs for projects in which are gated only include lake bank stabilization, lake littoral plantings, and perimeter berm native plantings associated with master stormwater systems. Contingency and mobilization are also taken into account and are included in the CIP. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VI Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer’s reports.

<b>Total Phase VII and Portion of Phase VI Master Landscaping.....</b>	<b>\$43,561,000</b>
Total Lee County Parcel 1 .....	\$312,000
Total Lee County Parcel 2 .....	\$155,000
Total MidTown Parcel 1 .....	\$276,000
Total MidTown Parcel 2 .....	\$290,000
Total MidTown Parcel 3 .....	\$184,000
Total MidTown Parcel 4 .....	\$279,000
Total Tuckers Cove Parcel.....	\$28,013,000
Webbs Reserve Parcel (Phase 1).....	\$1,508,000
Total DiVosta (Phase 2) Parcel.....	\$12,544,000
<b>Total Master Series 2024 Landscaping.....</b>	<b>\$10,002,321.13</b>
Total Lee County Parcel 1 .....	\$312,000
Total Lee County Parcel 2 .....	\$155,000
Total MidTown Parcel 1 .....	\$276,000
Total MidTown Parcel 2 .....	\$290,000
Total MidTown Parcel 3 .....	\$184,000
Total MidTown Parcel 4 .....	\$279,000
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$581,000
Webbs Reserve Parcel (Phase 1).....	\$599,321.13
Total DiVosta (Phase 2) Parcel.....	\$7,526,000

## Design and Permitting

In addition to the construction costs for items directly in the Phase VII Project as identified above, design and

permitting fees were incurred prior to construction, which may include: engineering fees, biological opinions, and permitting fees for state, local, and federal permits, and are included in the CIP. The Series 2024 Project includes the prorated portion of the infrastructure associated with the development for the 383 lots of the Tuckers Cove (Phase 1C & 1D) Parcel and remaining 500 lots of the DiVosta Phase 2 Parcel. The portion of the Phase VII Project associated with development of the remaining lots within the Tuckers Cove Parcel will be funded by future series of bonds as described in future supplemental engineer's reports.

<b>Total Phase VII and Portion of Phase VI Design and Permitting</b> .....	<b>\$12,125,000</b>
Total Lee County Parcel 1 .....	\$672,000
Total Lee County Parcel 2 .....	\$334,000
Total MidTown Parcel 1 .....	\$594,000
Total MidTown Parcel 2 ..	\$623,000
Total MidTown Parcel 3 .....	\$394,000
Total MidTown Parcel 4 .....	\$599,000
Total Tuckers Cove Parcel.....	\$3,914,000
Webbs Reserve Parcel (Phase 1).....	\$3,244,000
Total DiVosta (Phase 2) Parcel.....	\$1,751,000

<b>Total Series 2024 Design and Permitting</b> .....	<b>\$6,375,136.44</b>
Total Lee County Parcel 1 .....	\$672,000
Total Lee County Parcel 2 .....	\$334,000
Total MidTown Parcel 1 .....	\$594,000
Total MidTown Parcel 2 ..	\$623,000
Total MidTown Parcel 3 .....	\$394,000
Total MidTown Parcel 4 .....	\$599,000
Total Tuckers Cove (Phase 1C & 1D) Parcel.....	\$1,144,000
Webbs Reserve Parcel (Phase 1).....	\$1,191,876.44
Total DiVosta (Phase 2) Parcel.....	\$1,051,000

## Cumulative Summary of Costs

Item	Master Phase VII Project and Portion of Phase VI Project									Total Estimated Cost Phase VII Project
	Lee County Parcel 1	Lee County Parcel 2	MidTown Parcel 1	MidTown Parcel 2	MidTown Parcel 3	MidTown Parcel 4	Tuckers Cove (1)(2)	Webbs Reserve (1)(2)	DiVosta (2)	
Clearing, Grubbing, Earthwork	\$ 4,189,000	\$ 6,526,000	\$ 2,862,000	\$ 2,305,000	\$ 949,000	\$ 1,588,000	\$ 34,944,000	\$ 12,635,000	\$ 688,000	\$ 90,163,000
Entry Features Wayfinding	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 500,000	\$ 81,000	\$ -	\$ 1,067,000

Mitigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,853,000	\$ -	\$ 1,726,000	\$ 5,579,000
Offsite Improvements	\$ 241,000	\$ 120,000	\$ 212,000	\$ 223,000	\$ 141,000	\$ 214,000	\$ 13,404,000	\$ 1,161,000	\$ 6,002,000	\$ 21,718,000
Master Storm	\$ 1,133,000	\$ 564,000	\$ 1,001,000	\$ 1,050,000	\$ 664,000	\$ 1,010,000	\$ 11,212,000	\$ 5,467,000	\$ 4,470,000	\$ 26,571,000
Landscaping	\$ 312,000	\$ 155,000	\$ 276,000	\$ 290,000	\$ 184,000	\$ 279,000	\$ 28,013,000	\$ 1,508,000	\$12,544,000	\$ 43,561,000
Design and Permitting	\$ 672,000	\$ 334,000	\$ 594,000	\$ 623,000	\$ 394,000	\$ 599,000	\$ 3,914,000	\$ 3,244,000	\$ 1,751,000	\$ 12,125,000
<b>GRAND TOTAL</b>	<b>\$ 6,628,000</b>	<b>\$ 7,780,000</b>	<b>\$ 5,026,000</b>	<b>\$4,572,000</b>	<b>\$2,413,000</b>	<b>\$3,771,000</b>	<b>\$ 95,840,000</b>	<b>\$ 24,096,000</b>	<b>\$27,181,000</b>	<b>\$ 177,307,000</b>

(1) Tuckers Cove & Webbs Reserve include both onsite and offsite master infrastructure.

(2) DiVosta, Tucker's Cove and Webbs Reserve are planned as gated communities. As a result, nonresidents will not have public access to DiVosta, Tucker's Cove and Webbs Reserve improvements located behind the gates. No roads, sidewalks, recreation areas, landscaping, earthwork, mitigation, hardscaping or other improvements that are behind the gates and are not available to the general public or are not considered to be a part of a larger public system, will be financed by the District. The project components and amounts shown in the table above with respect to DiVosta will be available to the general public or are part of a larger public system as they are located outside of the gated area. The project components and amounts shown in the table above with respect to Clearing, Grubbing, Earthwork and Master Storm within Tucker's Cove and Webbs Reserve are only comprised of necessary master stormwater management system improvements located behind hard gates while part of the master stormwater management system are part of a larger public system. The other improvements within Tucker's Cove and Webbs Reserve are located outside the gates and will be available to the general public or are part of a larger public system. No other Parcel or area identified above is a gated community.

Item	Series 2024 Project									Total Estimated Cost Phase VII Project
	Lee County Parcel 1	Lee County Parcel 2	MidTown Parcel 1	MidTown Parcel 2	MidTown Parcel 3	MidTown Parcel 4	Tuckers Cove - Phase 1C & 1D (1)(2)	Webbs Reserve (1)(2)	DiVosta (Phase 2) (2)	
Clearing, Grubbing, Earthwork	\$ 4,189,000	\$ 6,526,000	\$ 2,862,000	\$ 2,305,000	\$ 949,000	\$ 1,588,000	\$ 3,582,000	\$ 3,883,636	\$ 413,000	\$ 26,297,636
Entry Features Wayfinding	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 81,000	\$ 26,820	\$ -	\$ 593,820
Mitigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,036,000	\$ 1,036,000
Offsite Improvements	\$ 241,000	\$ 120,000	\$ 212,000	\$ 223,000	\$ 141,000	\$ 214,000	\$ 570,000	\$ 584,424	\$ 3,600,000	\$ 5,905,424
Master Storm	\$ 1,133,000	\$ 564,000	\$ 1,001,000	\$ 1,050,000	\$ 664,000	\$ 1,010,000	\$ 1,631,000	\$ 1,692,465	\$ 2,681,000	\$ 11,426,465
Landscaping	\$ 312,000	\$ 155,000	\$ 276,000	\$ 290,000	\$ 184,000	\$ 279,000	\$ 581,000	\$ 599,321	\$ 7,526,000	\$ 10,202,321
Design and Permitting	\$ 672,000	\$ 334,000	\$ 594,000	\$ 623,000	\$ 394,000	\$ 599,000	\$ 1,144,000	\$ 1,191,876	\$ 1,051,000	\$ 6,602,876
<b>GRAND TOTAL</b>	<b>\$ 6,628,000</b>	<b>\$ 7,780,000</b>	<b>\$ 5,026,000</b>	<b>\$ 4,572,000</b>	<b>\$ 2,413,000</b>	<b>\$ 3,771,000</b>	<b>\$ 7,589,000</b>	<b>\$ 7,978,542</b>	<b>\$ 16,307,000</b>	<b>\$ 62,064,542</b>

(1) Tuckers Cove & Webbs Reserve include both onsite and offsite master infrastructure.

(2) DiVosta, Tucker's Cove and Webbs Reserve are planned as gated communities. As a result, nonresidents will not have public access to DiVosta, Tucker's Cove and Webbs Reserve improvements located behind the gates. No roads, sidewalks, recreation areas, landscaping, earthwork, mitigation, hardscaping or other improvements that are behind the gates and are not available to the general public or are not considered to be a part of a larger public system, will be financed by the District. The project components and amounts shown in the table above with respect to DiVosta will be available to the general public or are part of a larger public system as they are located outside of the gated area. The project components and amounts shown in the table above with respect to Clearing, Grubbing, Earthwork and Master Storm within Tucker's Cove and Webbs Reserve are only comprised of necessary master stormwater management system improvements located behind hard gates while part of the master stormwater management system are part of a larger public system. The other improvements within Tucker's Cove and Webbs Reserve are located outside the gates and will be available to the general public or are part of a larger public system. No other Parcel or area identified above is a gated community.

# SUMMARY AND CONCLUSION

The Phase VII Project, a component of which is the Series 2024 Project, as outlined above, is necessary for the functional development of BRCISD Phase VII and a portion of the Phase VI Project not included in the Series 2022 Project as required by the applicable jurisdictional and governmental agencies. The planning and design of the infrastructure will be in accordance with current governmental regulatory requirements and industrial standards. The infrastructure will serve its intended function so long as the construction is in substantial compliance with the design, permits and local governing agencies. Items for construction in this report are based on current plan quantities for infrastructure construction and these infrastructure improvements will benefit and add value to BRCISD Phase VII and portions of Phase VI. All CIP improvements will be located on land owned by or subject to a permanent easement in favor of the BRCISD or any governmental entity. Costs of the CIP improvements will be equal to or less than the special benefit received therefrom. BRCISD will pay the less of the fair market value or the actual costs for the CIP improvements.

# ENGINEER'S CERTIFICATION

It is our opinion that the extent of proposed improvements and probable costs are fair and reasonable. The impact of market conditions, increased regulatory actions, and other factors that may affect future costs cannot be completely assessed and may impact the project over time. Where necessary, information from other professionals and contractors has been used in the preparation of this report. Qualified professionals from these entities have provided design, permitting, and cost information for the purposes of this report. Assuming the construction occurs as scheduled, it is our opinion that the improvements can be permitted, constructed, and installed at the costs described in this report.

I hereby certify that the foregoing is a true and correct copy of the Engineer's Report for the Babcock Ranch Community Independent Special District Phase VII Project and Series 2024 Project.



---

David Mercer, P.E  
Florida Registration Number 90785  
Date: October 22, 2024

Prepared By: Kimley-Horn and Associates, Inc.  
1514 Broadway, Suite  
300  
Fort Myers, FL 33901  
(239) 271-2650



**APPENDIX D**  
**ASSESSMENT METHODOLOGY**

[THIS PAGE INTENTIONALLY LEFT BLANK]

# BABCOCK RANCH COMMUNITY INDEPENDENT SPECIAL DISTRICT

Amended Master Special Assessment  
Methodology Report  
for Phase VII and Supplement to Master Special  
Assessment Methodology Report  
for Phase VI for the Tucker's Cove, former Trabue, and  
DiVosta Parcels

May 29, 2024 Amended September 26, 2024



Provided by:

**Wrathell, Hunt and Associates, LLC**

2300 Glades Road, Suite 410W

Boca Raton, FL 33431

Phone: 561-571-0010

Fax: 561-571-0013

Website: [www.whhassociates.com](http://www.whhassociates.com)

## Table of Contents

<b>1.0</b>	<b>Introduction</b>	
1.1	Purpose .....	1
1.2	Scope of the Amended Report .....	1
1.3	Special Benefits and General Benefits .....	2
1.4	Organization of the Amended Report .....	3
<b>2.0</b>	<b>Development Program</b>	
2.1	Overview .....	3
2.2	The Development Program .....	4
<b>3.0</b>	<b>The Capital Improvement Program</b>	
3.1	Overview .....	4
3.2	Capital Improvement Program .....	5
<b>4.0</b>	<b>Financing Program</b>	
4.1	Overview .....	6
4.2	Types of Bonds Proposed .....	6
<b>5.0</b>	<b>Assessment Methodology</b>	
5.1	Overview .....	7
5.2	Benefit Allocation .....	7
5.3	Assigning Bond Assessments .....	9
5.4	Lienability Test: Special and Peculiar Benefit to the Property .....	11
5.5	Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay .....	12
5.6	True-Up Mechanism .....	12
5.7	Preliminary Assessment Roll .....	12
<b>6.0</b>	<b>Additional Stipulations</b>	
6.1	Overview .....	13
<b>7.0</b>	<b>Appendix</b>	
	Table 1 .....	14
	Table 2 .....	15
	Table 3 .....	16
	Table 4 .....	17
	Table 5 .....	18
	Table 6 .....	19

## **1.0 Introduction**

### **1.1 Purpose**

This Amended Master Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tucker's Cove, former Trabue, and DiVosta Parcels (the "Amended Report") was developed to amend the Master Special Assessment Methodology Report for Phase VII and Supplement to Master Special Assessment Methodology Report for Phase VI for the Tucker's Cove, former Trabue, and DiVosta Parcels (the "Original Report") dated May 29, 2024 to account for the removal of the Lee County Parcel 3 portion as there have been changes to the development plan and timing of the Babcock Ranch Community Independent Special District's (the "District") Phase VII (to be defined further herein). The Original Report, as amended by the Amended Report, was developed to provide a master financing plan and a master apportionment methodology for the Phase VII (separately, "Lee County Parcel 1", "Lee County Parcel 2", "Midtown Parcel 1", "Midtown Parcel 2", "Midtown Parcel 3", "Midtown Parcel 4", and "Webb's Reserve" and cumulatively "Phase VII") related to funding the costs of the acquisition and construction of public infrastructure improvements contemplated to be provided by the District within Phase VII. This Amended Report was also developed to provide a supplement to the Master Special Assessment Methodology Report for Phase VI dated February 24, 2022 (the "Master Phase VI Report") with respect to the portions of the Phase VI known as the Tucker's Cove, former Trabue, and DiVosta Parcels.

The District is located in Charlotte and Lee Counties in Florida, and was established by House Bill 1515 (codified in Chapter 2007-306, Laws of Florida) passed by the Florida Legislature and approved by the Governor of the State of Florida on June 27, 2007, while House Bill 1039 (codified as amended in Chapter 2016-257, Laws of Florida), added additional acreage (Chapter 2007-306 and 2016-257 together the "Act"). The District has a total of 17,787 acres of land, with Phase VII comprising approximately 1,054.73 +/- gross acres respectively and located in Charlotte County and Lee County.

### **1.2 Scope of the Amended Report**

This Amended Report presents the projections for financing the District's public infrastructure improvements for Phase VII (the "Phase VII Project"). The Phase VII Project, as well as those portions of the Phase VI Project (to be defined further herein) which serve the

portions of the Tucker's Cove and DiVosta Parcels which are projected to be implemented and financed concurrently with portions of the Phase VII Project, are described in the Engineer's Report for Phase VII – Project Area: Charlotte County - Midtown - Parcel 1,2,3, and 4; Charlotte County – Webb's Reserve; Lee County – Lee County Parcel 1 and 2 and Supplement to Phase VI Project Area (Lee County – DiVosta Parcel – Phase 2 and Charlotte County – Tuckers Cove Phase 1C & 1D) of Kimley-Horn & Associates, Inc. (the "District Engineer") dated May, 2024 amended September 2024 (the "2024 District Engineer's Report"). This Amended Report also describes the method for the allocation of special benefits and the apportionment of special assessment debt resulting from the provision and funding of the Phase VII Project.

### **1.3 Special Benefits and General Benefits**

Public infrastructure improvements undertaken and funded by the District as part of the Phase VII Project create special and peculiar benefits, different in kind and degree than general benefits, for properties within Phase VII, as well as general benefits for properties within the District's borders but outside Phase VII, and general benefits to the public at large. However, as discussed within this Amended Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits which accrue to properties within Phase VII. The Phase VII Project enables properties within its boundaries to be developed.

There is no doubt that the general public and owners of property within the District but outside of Phase VII, and outside the District will benefit from the provision of the Phase VII Project. However, these benefits are only incidental since the Phase VII Project, a component of the overall system of improvements throughout the District, is designed solely to provide special benefits peculiar to property within Phase VII. Properties outside of Phase VII are not directly served by the Phase VII Project and do not depend upon the Phase VII Project to obtain or to maintain their development entitlements. This fact alone clearly distinguishes the special benefits which Phase VII properties receive compared to those lying outside of the Phase VII's boundaries.

The Phase VII Project will provide the public infrastructure improvements necessary to make the lands within the Phase VII developable and saleable. The installation of such improvements will cause the value of the developable and saleable lands within Phase VII to increase by more than the sum of the financed cost of the individual components of the Phase VII Project. Even though the

exact value of the benefits provided by the Phase VII Project is hard to estimate at this point, it is nevertheless greater than the costs associated with providing the same.

#### **1.4 Organization of the Amended Report**

*Section Two* describes the development program for the Phase VII and those portions of Phase VI (the DiVosta and Tucker's Cove Parcels) that are proposed to be developed to whole or partial completion concurrently with a portion of Phase VII, as proposed by the Developer, as defined below.

*Section Three* provides a summary of the Phase VII Project and those portion of the Phase VI Project that are proposed to serve the DiVosta and Tucker's Cove Parcels and which are projected to be implemented and financed concurrently with portions of the Phase VII Project, as determined by the District Engineer.

*Section Four* discusses the proposed financing program for Phase VII.

*Section Five* introduces the special assessment methodology for Phase VII.

### **2.0 Development Program**

#### **2.1 Overview**

Phase VII represents a portion of the Babcock Ranch development (the "Development") which is a mixed-use, master planned development located in Charlotte and Lee Counties, Florida. The District, which serves the Development, is generally located in southern Charlotte County and northern Lee County east of State Road 31 and currently consists of approximately 17,787 +/- acres.

Phase VII has a total combined area of approximately 897.65 +/- acres, which includes the areas of Lee County Parcel 1, Lee County Parcel 2, Midtown Parcel 1, Midtown Parcel 2, Midtown Parcel 3, Midtown Parcel 4, and Webb's Reserve being approximately 124.92, 175.77, 58.00, 58.55, 32.89, 30.62 and 416.90 +/- gross acres respectively. Phase VII is located in Charlotte and Lee Counties east of State Road 31, with Lee County Parcels 1 and 2 located in Lee County south of Phase VI (Village 2) and Phase 5 (Crescent Grove) and northeast of Phase VI (DiVosta), Midtown Parcels 1,2,3 and 4 located in Charlotte County east of Phase VI (Village 2), and Webb's

Reserve located in Charlotte County northeast of Phase VI (Village 2).

## **2.2 The Development Program**

The development of Phase VII is anticipated to be conducted by Babcock Property Holdings, LLC or its associates or assigns (“BPH”) (the “Developer”). Within Phase VII, the development plan for Lee County Parcel 1 envisions a total of 249 residential units, Lee County Parcel 2 envisions a total of 124 residential units, Midtown Parcel 1 envisions a total of 220 residential units, Midtown Parcel 2 envisions a total of 231 residential units, Midtown Parcel 3 envisions a total of 146 residential units, Midtown Parcel 4 envisions a total of 222 residential units, and Webb's Reserve envisions a total of 1,202 residential units, although land use types and unit numbers may change throughout the development period.

Please note that according to the Developer, portions of the DiVosta and Tucker’s Cove Parcels, both of which commenced their development in 2022, will continue to be developed in 2024 concurrently with the development of the Phase VII, and that the DiVosta Parcel is projected to complete its development in 2024 while the Tucker’s Cove Parcel is projected to continue its development, in part, in 2024 and, in part, after 2024. The development plan for the DiVosta Parcel envisions a total of 1,000 residential units, with the initial 500 developed in 2022 and the remaining 500 projected to be developed in 2024. The development plan for the Tucker’s Cove Parcel envisions a total of 2,266 residential units (a revision from the initial development plan of 2,259 residential units contemplated in the Master Phase VI Report, which also referred to the parcel as Trabue), with the initial 252 developed in 2022, 383 projected to be developed in 2024, and the remaining 1,631 projected to be developed after 2024.

Table 1 in the *Appendix* illustrates the development plan for the Tucker’s Cove and DiVosta Parcels of Phase VI as well as all parts of Phase VII.

## **3.0 The Capital Improvement Program**

### **3.1 Overview**

The public infrastructure costs to be funded by the District are described by the District Engineer in the District Engineer's Report. Only public infrastructure that may qualify for bond financing by the



District under the Act and under the Internal Revenue Code of 1986, as amended, was included in these estimates.

### **3.2 Capital Improvement Program**

The Phase VII Project is projected to consist of a network of roadways, drainage systems, stormwater management facilities, sanitary sewer collection systems, potable water distribution systems, irrigation distribution systems, and wire utility conduit. It also includes the access to parks, open space areas, and sidewalks and trails. As described in the 2024 District Engineer's Report, the Phase VII Project is comprised of master public infrastructure improvements, located both within and offsite the respective parcels, which will serve and benefit all areas within Phase VII (the "Master Improvements").

In addition to describing the Phase VII Project, the 2024 District Engineer's Report also describes the portions of the Phase VI Project (the public infrastructure improvements necessary for the development of Phase VI) that are necessary for the development of the DiVosta and Tucker's Cove Parcels that are projected to be developed in 2024 concurrently with the development of a portion of Phase VII. Similar to the Phase VII Project, the portions of the Phase VI Project for the DiVosta and Tucker's Cove Parcels consist of a network of roadways, drainage systems, stormwater management facilities, sanitary sewer collection systems, potable water distribution systems, irrigation distribution systems, wire utility conduit, access to parks, open space areas, and sidewalks and trails. Those portions of the Phase VI Project for the DiVosta and Tucker's Cove Parcels which will serve and benefit all areas within the DiVosta and Tucker's Cove Parcels are part of the Master Improvements, located both within and offsite the respective parcels.

Table 2 in the *Appendix* illustrates the specific components of the continued Phase VI Project and the Phase VII Project and their costs, as well as the projections for those portions of the continued Phase VI Project and the portion of the Phase VII Project (the "Series 2024 Project") which are projected to be commenced in 2024 to support the development and provide the public infrastructure improvements for the units projected to be developed in 2024 and funded with proceeds of bonds issued by the District in 2024. This Amended Report will be supplemented by a series 2024 supplement describing the Series 2024 Project and the areas specially benefitted which will include portions of Phase VI and Phase VII as preliminarily described herein.

## 4.0 Financing Program

### 4.1 Overview

As noted above, the District is embarking on a program of public infrastructure improvements which will facilitate the development of lands within Phase VII. Generally, construction of public improvements is either funded by the Developer or in limited circumstances its assigns and then acquired by the District or funded directly by the District. The choice of the exact mechanism for providing public infrastructure has not yet been made at the time of this writing, and the District may either acquire the public infrastructure from the Developer or construct it, or even partly acquire it and partly construct it.

Even though the actual financing plan may change, this Amended Report provides a master financing plan under which the District would issue approximately \$74,625,000 in par amount of special assessment bonds (the "Bonds") to fund approximately \$54,286,000 in the Phase VII Project costs. The Bonds would also include funding for capitalized interest, a debt service reserve account, and costs of issuance.

**Please note that as the District previously levied special assessment liens on the lands comprising the DiVosta and Tucker's Cove Parcels and that the purpose of this Amended Report is to allocate the benefit of the Phase VII Project to the various land uses within Phase VII and based on such benefit allocation to apportion the maximum amount of special assessment necessary to fund the Phase VII Project on the Phase VII Assessment Area, which comprises all lands that comprise Phase VII, the total costs of the Phase VII project estimated at \$54,286,000 and the total amount of the Bonds necessary to fund such construction amount is estimated at \$74,625,000. The discussion of the structure and size of the indebtedness is preliminary, based on various estimates and is subject to change.**

### 4.2 Types of Bonds Proposed

The proposed master financing plan for Phase VII provides for the issuance of the Bonds in the approximate principal amount of \$74,625,000 to finance costs estimated at \$54,286,000. The Bonds as projected under this master financing plan would be structured to be amortized in 30 annual installments following a 24-month capitalized interest period. Interest payments on the Bonds would

be made every May 1 and November 1, and principal payments on the Bonds would be made every November 1.

In order to finance the Phase VII Project improvement costs, the District would need to borrow more funds and incur indebtedness in the total amount of \$74,625,000. The difference is comprised of debt service reserve, capitalized interest, and costs of issuance, including the underwriter's discount. Preliminary sources and uses of funding for the Bonds are presented in Table 3 in the *Appendix*.

**Please note that the structure of the Bonds as presented in this Amended Report is preliminary and may change due to changes in the development program, market conditions, timing of infrastructure installation as well as for other reasons. The District maintains complete flexibility as to the structure of the Bonds and reserves the right to modify it as necessary.**

## **5.0 Assessment Methodology**

### **5.1 Overview**

The issuance of the Bonds provides the District with funds necessary to construct/acquire the Phase VII Project public infrastructure improvements outlined in *Section 3.2* and described in more detail by the District Engineer in the District Engineer's Report. These improvements yield special and general benefits, with special benefits accruing to properties within the boundaries of Phase VII and general benefits accruing to areas outside of Phase VII and outside the District and being only incidental in nature. The debt incurred in financing the public infrastructure included in the Phase VII Project will be paid off by assessing properties that derive special and peculiar benefits from the Phase VII Project. All properties that derive special benefits from the Phase VII Project will be assessed for their fair share of the debt issued in order to finance the Phase VII Project.

### **5.2 Benefit Allocation**

The current development plan for Phase VII envisions the development of a total of 2,394 residential units, although unit numbers and land use types may change throughout the development period.

As described in the District Engineer's Report, the Phase VII Project is comprised of Master Improvements which will serve and benefit all

of the lands in Phase VII. The Master Improvements will serve and benefit all of the lands in Phase VII and the Master Improvements will comprise an interrelated system of improvements, which means all of the improvements will serve the entire Phase VII, and the improvements will be interrelated such that they will reinforce one another and their combined benefits will be greater than the sum of their individual benefits. All of the land uses within Phase VII will benefit from each infrastructure improvement category of the Master Improvements, as the Master Improvements provide basic infrastructure to all lands within Phase VII as an integrated system of improvements.

As stated previously, the Phase VII Project has a logical connection to the special and peculiar benefits received by the land within Phase VII and the development of the properties within Phase VII. Based upon the connection between the improvements and the special and peculiar benefits to the land within Phase VII, the District can assign or allocate a portion of the District's debt through the imposition of non-ad valorem assessments, to the land receiving such special and peculiar benefits. Even though these special and peculiar benefits are real and ascertainable, the precise amount of the benefit cannot yet be calculated with mathematical certainty. However, such benefit is more valuable than the cost of, or the actual non-ad valorem assessment amount levied on that parcel.

The benefit associated with the Master Improvements portion of the Phase VII Project are proposed to be allocated to the residential units projected to be developed within the Phase VII in proportion to the density of development and intensity of use of infrastructure as measured by a standard unit called an Equivalent Residential Unit ("ERU"). Table 4 in the *Appendix* illustrates the ERU weights that are proposed to be assigned to the product types contemplated to be developed within Phase VII based on the densities of development and the intensities of use of infrastructure, the total ERU counts for each land use category, for each parcel and the share of the benefit received by each product type within each parcel.

The rationale behind different ERU weights is supported by the fact that generally and on average smaller units will use and benefit from the District's public infrastructure improvements less than larger units, as for instance, generally and on average smaller units produce less storm water runoff and may produce fewer vehicular trips. Additionally, the value of the larger units is likely to appreciate by more in terms of dollars than that of the smaller units as a result of the implementation of the infrastructure improvements. As the exact amount of the benefit and appreciation is not possible to be

calculated at this time, the use of ERU measures serves as a reasonable approximation of the relative amount of benefit received from the Phase VII Project.

Table 5 presents the allocation of the Phase VII Project costs and the apportionment of the assessment associated with the Bonds (the "Bond Assessments") in accordance with the ERU benefit allocation method presented in Table 4 in the *Appendix*. Table 6 in the *Appendix* presents the apportionment total and per residential unit Bond Assessments, as well as presents the annual levels of the projected annual debt service assessments.

### **5.3 Assigning Bond Assessments**

With the exception of the Webb's Reserve Parcel, the Bond Assessments lien is proposed to be allocated through independent parcel-specific assessment liens on each parcel within Phase VII based on the development plan associated therewith (rather than gross acreage) as the land within each parcel within Phase VII is anticipated to be sold in bulk prior to platting. Consequently, in the Lee County Parcel 1 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 124.92 +/- gross acres within the Lee County Parcel 1 portion of the Phase VII Assessment Area based on the planned development of 249 residential units (as outlined in Table 1) within the Lee County Parcel 1, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$9,759,351.10 will be preliminarily levied on approximately 124.92 +/- gross acres at a rate of \$78,124.81 per acre.

In the Lee County Parcel 2 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 175.77 +/- gross acres within the Lee County Parcel 2 portion of the Phase VII Assessment Area based on the planned development of 124 residential units (as outlined in Table 1) within the Lee County Parcel 2, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$10,685,486.29 will be preliminarily levied on approximately 175.77 +/- gross acres at a rate of \$60,792.43 per acre.

In the Midtown Parcel 1 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 58.00 +/- gross acres within the Midtown Parcel 1 portion of the Phase VII Assessment Area based on the planned development of 220 residential units (as outlined in Table 1) within the Midtown Parcel 1, which shall be applied initially on an equal pro-rata gross acre basis

and thus the total Bond Assessments in the amount of \$7,243,559.49 will be preliminarily levied on approximately 58.00 +/- gross acres at a rate of \$124,888.96 per acre.

In the Midtown Parcel 2 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 58.55 +/- gross acres within the Midtown Parcel 2 portion of the Phase VII Assessment Area based on the planned development of 220 residential units (as outlined in Table 1) within the Midtown Parcel 2, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$6,786,403.40 will be preliminarily levied on approximately 58.55 +/- gross acres at a rate of \$115,907.83 per acre.

In the Midtown Parcel 3 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 32.89 +/- gross acres within the Midtown Parcel 3 portion of the Phase VII Assessment Area based on the planned development of 146 residential units (as outlined in Table 1) within the Midtown Parcel 3, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$4,132,318.49 will be preliminarily levied on approximately 32.89 +/- gross acres at a rate of \$125,640.57 per acre.

In the Midtown Parcel 4 portion of the Phase VII Assessment Area, the Bond Assessments will be levied initially on approximately 30.62 +/- gross acres within the Midtown Parcel 4 portion of the Phase VII Assessment Area based on the planned development of 222 residential units (as outlined in Table 1) within the Midtown Parcel 4, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$5,169,876.52 will be preliminarily levied on approximately 30.62 +/- gross acres at a rate of \$168,839.86 per acre.

As the land within the Webb's Reserve Parcel portion of the Phase VII Assessment Area has already been sold to a third-party owner and is presently partially platted, the Bond Assessments lien attributable to the Webb's Reserve Parcel is proposed to be allocated to the Webb's Reserve Parcel through independent parcel-specific assessment lien based on the development plan for the Webb's Reserve Parcel. Consequently, in the Webb's Reserve Parcel portion of Phase VII Assessment Area, the Bond Assessments will be levied on the 194 platted parcels comprising 117 52' parcels, 57 70' parcels and 20 12-Unit parcels in accordance with the figures illustrated in the Table 6 in the *Appendix*, and thus a total amount of \$7,481,810.90 in Bond Assessments will be allocated to the 194

platted parcels. As the balance of the land within the Webb's Reserve Parcel remains unplatted, the Bond Assessments will be levied initially on approximately 136.43 +/- gross acres within the unplatted portion of the Webb's Reserve Parcel portion of the Phase VII Assessment Area based on the planned development of 1,008 residential units, which shall be applied initially on an equal pro-rata gross acre basis and thus the total Bond Assessments in the amount of \$23,366,193.81 will be preliminarily levied on approximately 136.43 +/- gross acres at a rate of \$171,268.74 per acre.

As parcels are platted, the Bond Assessments will be allocated to such parcels that are platted or receive site plan approval based on the planned use for that parcel as reflected in Table 6 in the *Appendix*. Further, to the extent that any parcel that has not been platted, is sold to another developer or builder, the Bond Assessments will be assigned to such parcel at the time of the sale based upon the development rights associated with such parcel that are transferred from seller to buyer. The District shall provide an estoppel or similar document to the buyer evidencing the amount of Bond Assessments transferred at sale.

#### **5.4 Lienability Test: Special and Peculiar Benefit to the Property**

As first discussed in *Section 1.3*, Special Benefits and General Benefits, the Phase VII Project creates special and peculiar benefits to properties within Phase VII. The Phase VII Project benefits assessable properties within Phase VII and accrues to all such assessable properties on an ERU basis as illustrated in Table 4 in the *Appendix*.

The Phase VII Project undertaken by the District for properties within Phase VII can be shown to be creating special and peculiar benefits to the property within Phase VII. The special and peculiar benefits resulting from each improvement are:

- a. added use of the property;
- b. added enjoyment of the property;
- c. decreased insurance premiums; and
- d. increased marketability and value of the property.

The Phase VII Project makes the land in Phase VII developable and saleable and provides special and peculiar benefits which are greater than the benefits of any single category of improvements. These special and peculiar benefits are real and ascertainable, but not yet capable of being calculated and assessed in terms of

numerical value; however, such benefits are more valuable than either the cost of, or the actual assessment levied for, the improvement or debt allocated to the parcel of land.

### **5.5 Lienability Test: Reasonable and Fair Apportionment of the Duty to Pay**

A reasonable estimate of the proportion of special and peculiar benefits received from the Phase VII Project is delineated in Table 4 (expressed as ERU factors) in the *Appendix*.

The apportionment of the assessments is fair and reasonable because it was conducted on the basis of consistent application of the methodology described in *Section 5.2* across all assessable property within Phase VII according to reasonable estimates of the special and peculiar benefits derived from the Phase VII Project by different land uses.

Accordingly, no acre or parcel of property within the Phase VII will be liened for the payment of any non-ad valorem special assessment more than the determined special benefit peculiar to that property.

### **5.6 True-Up Mechanism**

The Assessment Methodology described herein is based on conceptual information obtained from the Developer prior to construction. As development occurs it is possible that the number of ERUs may change. The mechanism for maintaining the methodology over the changes is referred to as true-up.

This mechanism is to be utilized to ensure that the Bond Assessments apportioned to properties with Phase VII Assessment Area on a per ERU basis never exceeds the initially allocated assessment as contemplated in the adopted assessment methodology. Please note that the True-Up Mechanism will be described in detail in the supplemental methodology.

### **5.7 Preliminary Assessment Roll**

The preliminary assessment roll is included in Exhibit A.



## **6.0 Additional Stipulations**

### **6.1 Overview**

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

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

## **7.0 Appendix**

Table 1

# Babcock Ranch

## Community Independent Special District

### Supplemental Phase VI and Phase VII Proposed Development Plan

Product Type	Phase VI Units That Commenced Development in 2022	Phase VI Units That Are Projected to Commence Development in 2024	Phase VI Units That Are Projected to Commence Development After 2024	Total Number of Units
<b>Supplemental Phase VI</b>				
<b>DiVosta Parcel</b>				
34'	174	96	0	270
50'	197	237	0	434
64'	129	167	0	296
	<b>500</b>	<b>500</b>	<b>0</b>	<b>1,000</b>
<b>Tucker's Cove</b>				
20'	0	106	298	404
52'	252	230	265	747
62'	0	47	520	567
Twin Villa	0	0	548	548
	<b>252</b>	<b>383</b>	<b>1,631</b>	<b>2,266</b>
<b>Phase VII</b>				
<b>Lee County Parcel 1</b>				
50'				119
60'				130
				<b>249</b>
<b>Lee County Parcel 2</b>				
120'				83
150'				41
				<b>124</b>
<b>Midtown Parcel 1</b>				
40'				99
50'				121
				<b>220</b>
<b>Midtown Parcel 2</b>				
40'				231
				<b>231</b>
<b>Midtown Parcel 3</b>				
38'				146
				<b>146</b>
<b>Midtown Parcel 4</b>				
30'				222
				<b>222</b>
<b>Webb's Reserve</b>				
52'				264
70'				142
30-Unit				420
16-Unit				240
12-Unit				24
Coach				112
				<b>1,202</b>
<b>Total</b>				<b>5,660</b>

Table 2

# Babcock Ranch

## Community Independent Special District

Continued Phase VI and Phase VII Project

Improvement	DiVosta Parcel	Tucker's Cove	Lee County Parcel 1	Lee County Parcel 2	Midtown Parcel 1	Midtown Parcel 2	Midtown Parcel 3	Midtown Parcel 4	Webb's Reserve	Total
<b>Master Improvements</b>										
Clearing, Grubbing, and Earthwork	\$688,000.00	\$34,944,000.00	\$4,189,000.00	\$6,526,000.00	\$2,862,000.00	\$2,305,000.00	\$949,000.00	\$1,588,000.00	\$12,635,000.00	\$66,686,000.00
Entry Features and Wayfinding	\$0.00	\$500,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$1,067,000.00
Mitigation	\$1,726,000.00	\$3,853,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$5,579,000.00
Offsite Improvements	\$6,002,000.00	\$13,404,000.00	\$241,000.00	\$120,000.00	\$212,000.00	\$223,000.00	\$141,000.00	\$214,000.00	\$1,161,000.00	\$21,718,000.00
Master Storm	\$4,470,000.00	\$11,212,000.00	\$1,133,000.00	\$564,000.00	\$1,001,000.00	\$1,050,000.00	\$664,000.00	\$1,010,000.00	\$5,467,000.00	\$26,571,000.00
Landscaping	\$12,544,000.00	\$28,013,000.00	\$312,000.00	\$155,000.00	\$276,000.00	\$290,000.00	\$184,000.00	\$279,000.00	\$1,508,000.00	\$43,561,000.00
Design and Permitting	\$1,751,000.00	\$3,914,000.00	\$672,000.00	\$334,000.00	\$594,000.00	\$623,000.00	\$394,000.00	\$599,000.00	\$3,244,000.00	\$12,125,000.00
	<b>\$27,181,000.00</b>	<b>\$95,840,000.00</b>	<b>\$6,628,000.00</b>	<b>\$7,780,000.00</b>	<b>\$5,026,000.00</b>	<b>\$4,572,000.00</b>	<b>\$2,413,000.00</b>	<b>\$3,771,000.00</b>	<b>\$24,096,000.00</b>	<b>\$177,307,000.00</b>
<b>Total</b>	<b>\$27,181,000.00</b>	<b>\$95,840,000.00</b>	<b>\$6,628,000.00</b>	<b>\$7,780,000.00</b>	<b>\$5,026,000.00</b>	<b>\$4,572,000.00</b>	<b>\$2,413,000.00</b>	<b>\$3,771,000.00</b>	<b>\$24,096,000.00</b>	<b>\$177,307,000.00</b>
<b>Phase VII Project-Only Costs</b>			<b>\$6,628,000.00</b>	<b>\$7,780,000.00</b>	<b>\$5,026,000.00</b>	<b>\$4,572,000.00</b>	<b>\$2,413,000.00</b>	<b>\$3,771,000.00</b>	<b>\$24,096,000.00</b>	<b>\$54,286,000.00</b>

Series 2024 Project

Improvement	DiVosta Parcel	Tucker's Cove	Lee County Parcel 1	Lee County Parcel 2	Midtown Parcel 1	Midtown Parcel 2	Midtown Parcel 3	Midtown Parcel 4	Webb's Reserve	Total
<b>Master Improvements</b>										
Clearing, Grubbing, and Earthwork	\$413,000.00	\$3,882,000.00	\$4,189,000.00	\$6,526,000.00	\$2,862,000.00	\$2,305,000.00	\$949,000.00	\$1,588,000.00	\$4,183,636.00	\$26,897,636.00
Entry Features and Wayfinding	\$0.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$81,000.00	\$26,820.00	\$593,820.00
Mitigation	\$1,036,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1,036,000.00
Offsite Improvements	\$3,600,000.00	\$370,000.00	\$241,000.00	\$120,000.00	\$212,000.00	\$223,000.00	\$141,000.00	\$214,000.00	\$384,424.00	\$5,505,424.00
Master Storm	\$2,681,000.00	\$1,741,000.00	\$1,133,000.00	\$564,000.00	\$1,001,000.00	\$1,050,000.00	\$664,000.00	\$1,010,000.00	\$1,810,205.00	\$11,654,205.00
Landscaping	\$7,526,000.00	\$481,000.00	\$312,000.00	\$155,000.00	\$276,000.00	\$290,000.00	\$184,000.00	\$279,000.00	\$499,321.00	\$10,002,321.00
Design and Permitting	\$1,051,000.00	\$1,034,000.00	\$672,000.00	\$334,000.00	\$594,000.00	\$623,000.00	\$394,000.00	\$599,000.00	\$1,074,136.00	\$6,375,136.00
	<b>\$16,307,000.00</b>	<b>\$7,589,000.00</b>	<b>\$6,628,000.00</b>	<b>\$7,780,000.00</b>	<b>\$5,026,000.00</b>	<b>\$4,572,000.00</b>	<b>\$2,413,000.00</b>	<b>\$3,771,000.00</b>	<b>\$7,978,542.00</b>	<b>\$62,064,542.00</b>
<b>Total</b>	<b>\$16,307,000.00</b>	<b>\$7,589,000.00</b>	<b>\$6,628,000.00</b>	<b>\$7,780,000.00</b>	<b>\$5,026,000.00</b>	<b>\$4,572,000.00</b>	<b>\$2,413,000.00</b>	<b>\$3,771,000.00</b>	<b>\$7,978,542.00</b>	<b>\$62,064,542.00</b>

Table 3

# Babcock Ranch

## Community Independent Special District

### Preliminary Sources and Uses of Funds

<u>Sources</u>	<b>Bonds</b>
Bond Proceeds:	
Par Amount	\$74,625,000.00
<b>Total Sources</b>	<b>\$74,625,000.00</b>

<u>Uses</u>	
Project Fund Deposits:	
Project Fund	\$54,286,000.00
Other Fund Deposits:	
Debt Service Reserve Fund	\$6,628,747.22
Capitalized Interest Fund	\$11,940,000.00
Delivery Date Expenses:	
Costs of Issuance	\$1,767,500.00
Rounding	\$2,752.78
<b>Total Uses</b>	<b>\$74,625,000.00</b>

#### Financing Assumptions:

Coupon Rate:	8.00%
Length of Capitalized Interest Period:	24 Months
Debt Service Reserve:	Max Annual Debt Service
Underwriter's Discount:	2.00%
Costs of Issuance:	\$275,000.00

**Notes:** Please note that the Original Report assumed a coupon rate of 8.50% and costs of issuance of \$250,000. The revisions made to these assumptions herein do not affect the allocation of benefit of the public infrastructure improvements provided as part of the Phase VII Project and were made to more accurately reflect estimated financing factors.

Table 4

# Babcock Ranch

## Community Independent Special District

### Phase VII Benefit Allocation

Product Type	Number of Units	ERU per Unit	Total ERU	Percent Share of Total
<b>Lee County Parcel 1</b>				
50'	119	1.00	119.00	5.71%
60'	130	1.18	153.40	7.36%
	<b>249</b>		<b>272.40</b>	<b>13.08%</b>
<b>Lee County Parcel 2</b>				
120'	83	2.23	185.09	8.89%
150'	41	2.76	113.16	5.43%
	<b>124</b>		<b>298.25</b>	<b>14.32%</b>
<b>Midtown Parcel 1</b>				
40'	99	0.82	81.18	3.90%
50'	121	1.00	121.00	5.81%
	<b>220</b>		<b>202.18</b>	<b>9.71%</b>
<b>Midtown Parcel 2</b>				
40'	231	0.82	189.42	9.09%
	<b>231</b>		<b>189.42</b>	<b>9.09%</b>
<b>Midtown Parcel 3</b>				
38'	146	0.79	115.34	5.54%
	<b>146</b>		<b>115.34</b>	<b>5.54%</b>
<b>Midtown Parcel 4</b>				
30'	222	0.65	144.30	6.93%
	<b>222</b>		<b>144.30</b>	<b>6.93%</b>
<b>Webb's Reserve</b>				
52'	264	1.04	274.56	13.18%
70'	142	1.35	191.70	9.20%
30-Unit	420	0.43	180.60	8.67%
16-Unit	240	0.51	122.40	5.88%
12-Unit	24	0.51	12.24	0.59%
Coach	112	0.71	79.52	3.82%
	<b>1,202</b>		<b>861.02</b>	<b>41.34%</b>
<b>Total</b>	<b>2,394</b>		<b>2,082.91</b>	<b>100.00%</b>

Table 5

# Babcock Ranch

## Community Independent Special District

### Phase VII Project Cost Allocation and Bond Assessment Apportionment

Product Type	Number of Units	ERU per Unit	Phase VII Project	
			Cost Allocation Based on ERU Method - Master Improvements	Total Bond Assessment Apportionment
<b>Lee County Parcel 1</b>				
50'	119	1.00	\$3,101,446.53	\$4,263,446.33
60'	130	1.18	\$3,997,999.15	\$5,495,904.77
	<u>249</u>		<u>\$7,099,445.68</u>	<u>\$9,759,351.10</u>
<b>Lee County Parcel 2</b>				
120'	83	2.23	\$4,823,922.18	\$6,631,271.27
150'	41	2.76	\$2,949,241.09	\$4,054,215.02
	<u>124</u>		<u>\$7,773,163.27</u>	<u>\$10,685,486.29</u>
<b>Midtown Parcel 1</b>				
40'	99	0.82	\$2,115,759.91	\$2,908,458.60
50'	121	1.00	\$3,153,571.69	\$4,335,100.89
	<u>220</u>		<u>\$5,269,331.60</u>	<u>\$7,243,559.49</u>
<b>Midtown Parcel 2</b>				
40'	231	0.82	\$4,936,773.13	\$6,786,403.40
	<u>231</u>		<u>\$4,936,773.13</u>	<u>\$6,786,403.40</u>
<b>Midtown Parcel 3</b>				
38'	146	0.79	\$3,006,057.51	\$4,132,318.49
	<u>146</u>		<u>\$3,006,057.51</u>	<u>\$4,132,318.49</u>
<b>Midtown Parcel 4</b>				
30'	222	0.65	\$3,760,829.70	\$5,169,876.52
	<u>222</u>		<u>\$3,760,829.70</u>	<u>\$5,169,876.52</u>
<b>Webb's Reserve</b>				
52'	264	1.04	\$7,155,740.84	\$9,836,738.03
70'	142	1.35	\$4,996,195.80	\$6,868,089.60
30-Unit	420	0.43	\$4,706,901.21	\$6,470,406.79
16-Unit	240	0.51	\$3,190,059.29	\$4,385,259.08
12-Unit	24	0.51	\$319,005.93	\$438,525.91
Coach	112	0.71	\$2,072,496.04	\$2,848,985.31
	<u>1,202</u>		<u>\$22,440,399.11</u>	<u>\$30,848,004.71</u>
<b>Total</b>	<b>2,394</b>		<b>\$54,286,000.00</b>	<b>\$74,625,000.00</b>

Table 6

## Babcock Ranch

### Community Independent Special District

#### Bond Assessments Apportionment

Product Type	Number of Units	Total Bond Assessments Apportionment	Bond Assessments Apportionment per Unit	Annual Bond Assessments Debt Service per Unit*	Annual Bond Assessments Debt Service per Unit**
<b>Lee County Parcel 1</b>					
50'	119	\$4,263,446.33	\$35,827.28	\$3,182.45	\$3,185.45
60'	130	\$5,495,904.77	\$42,276.19	\$3,755.29	\$3,758.29
	<b>249</b>	<b>\$9,759,351.10</b>			
<b>Lee County Parcel 2</b>					
120'	83	\$6,631,271.27	\$79,894.83	\$7,096.85	\$7,099.85
150'	41	\$4,054,215.02	\$98,883.29	\$8,783.55	\$8,786.55
	<b>124</b>	<b>\$10,685,486.29</b>			
<b>Midtown Parcel 1</b>					
40'	99	\$2,908,458.60	\$29,378.37	\$2,609.61	\$2,776.18
50'	121	\$4,335,100.89	\$35,827.28	\$3,182.45	\$3,385.58
	<b>220</b>	<b>\$7,243,559.49</b>			
<b>Midtown Parcel 2</b>					
40'	231	\$6,786,403.40	\$29,378.37	\$2,609.61	\$2,776.18
	<b>231</b>	<b>\$6,786,403.40</b>			
<b>Midtown Parcel 3</b>					
38'	146	\$4,132,318.49	\$28,303.55	\$2,514.13	\$2,674.61
	<b>146</b>	<b>\$4,132,318.49</b>			
<b>Midtown Parcel 4</b>					
30'	222	\$5,169,876.52	\$23,287.73	\$2,068.59	\$2,200.63
	<b>222</b>	<b>\$5,169,876.52</b>			
<b>Webb's Reserve</b>					
52'	264	\$9,836,738.03	\$37,260.37	\$3,309.74	\$3,521.00
70'	142	\$6,868,089.60	\$48,366.83	\$4,296.30	\$4,570.53
30-Unit	420	\$6,470,406.79	\$15,405.73	\$1,368.45	\$1,455.80
16-Unit	240	\$4,385,259.08	\$18,271.91	\$1,623.05	\$1,726.65
12-Unit	24	\$438,525.91	\$18,271.91	\$1,623.05	\$1,726.65
Coach	112	\$2,848,985.31	\$25,437.37	\$2,259.54	\$2,403.76
	<b>1,202</b>	<b>\$30,848,004.71</b>			
<b>Grand Total</b>		<b>2,394</b>	<b>\$74,625,000.00</b>		

\* Excludes costs of collection and early payment discount allowance

\*\* Includes costs of collection and early payment discount allowance

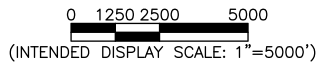
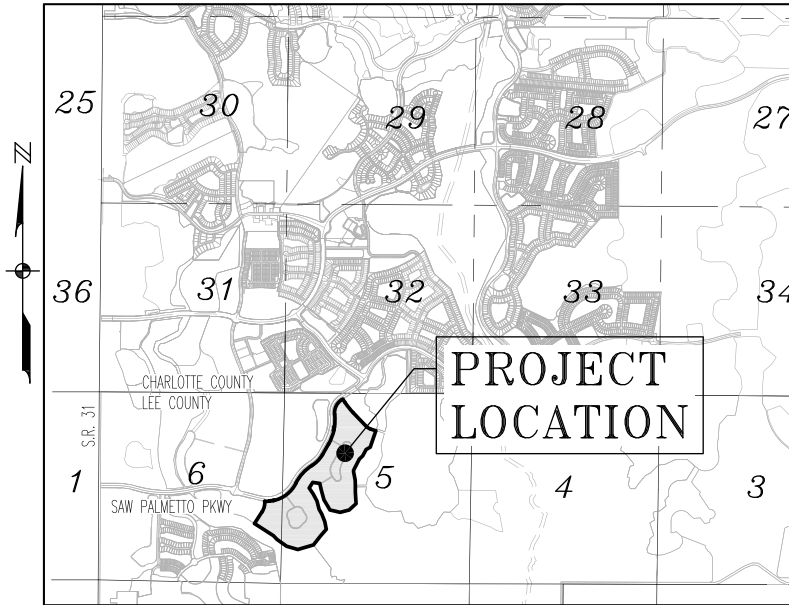
## **Exhibit A**

Bond Assessments in the approximate amount of \$9,759,351.10 are proposed to be levied on an equal pro-rata gross acre basis based on the planned development of 249 residential units (as outlined in Table 1) within the Lee County Parcel 1 on the land described as follows, which constitutes the Lee County Parcel 1 portion of Phase VII Assessment Area:



**SKETCH AND DESCRIPTION**  
**BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 1**  
**DEVELOPMENT ORDER LIMITS**  
 LYING IN  
 SECTIONS 5 AND 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
 LEE COUNTY, FLORIDA

VICINITY MAP  
 1"=5000'



**THIS IS NOT A SURVEY**

I HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE LEGAL DESCRIPTION AND ATTACHED SKETCH WERE PREPARED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF CHAPTER 5J-17.05, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO CHAPTER 472, FLORIDA STATUTES.

**NOTES:**

1. THIS IS NOT A BOUNDARY SURVEY, NOR IS IT INTENDED TO BE USED AS ONE.
2. COORDINATES AND HORIZONTAL DATA SHOWN HEREON ARE IN GRID FEET AND ARE PROJECTED ONTO THE FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (NAD83), 99 ADJUSTMENT.
3. BEARINGS SHOWN HEREON ARE BASED ON THE NORTH LINE OF TRACT E-25, BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, WHEREIN SAID NORTH LINE BEARS N.89°41'45"W.
4. DESCRIBED PARCEL CONTAINS 124.92 ACRES, MORE OR LESS.
5. P.O.C. = POINT OF COMMENCEMENT
6. P.O.B. = POINT OF BEGINNING
7. ORI = OFFICIAL RECORDS INSTRUMENT
8. STRAP = LEE COUNTY PARCEL NUMBER
9. DE = DRAINAGE EASEMENT
10. PUE = PUBLIC UTILITY EASEMENT
11. LME = LAKE MAINTENANCE EASEMENT
12. RWE = RIGHT-OF-WAY EASEMENT
13. AC. = ACRES
14. R = RADIUS
15. Δ = DELTA
16. CB = CHORD BEARING
17. C = CHORD LENGTH
18. L = ARC LENGTH
19. (P) = PLAT
20. NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.

THIS SKETCH HAS BEEN DIGITALLY SIGNED BY:  
 KEVIN M. RISCASSI (FOR THE FIRM L.B. 642)  
 PROFESSIONAL SURVEYOR AND MAPPER  
 FLORIDA CERTIFICATE NO. 6433  
 ON THE DATE ADJACENT TO THE SEAL.

PRINTED COPIES OF THIS DOCUMENT ARE NOT CONSIDERED SIGNED AND SEALED, AND THE DIGITAL SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

O:\2014\20149943-085\Sketches\BRC Lee County\_parcel 1 DO Limits - 5&D.dwg (cover) mlb May 21, 2024 - 12:35pm

NOTICE: THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED AND SEALED UNDER RULE 5J-17.062, F.A.C.



JOHNSON ENGINEERING, INC.  
 2122 JOHNSON STREET  
 FORT MYERS, FLORIDA 33902-1550  
 PHONE: (239) 334-0046  
 E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION  
 BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 1  
 DEVELOPMENT ORDER LIMITS  
 SECTIONS 5 & 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
 LEE COUNTY, FLORIDA

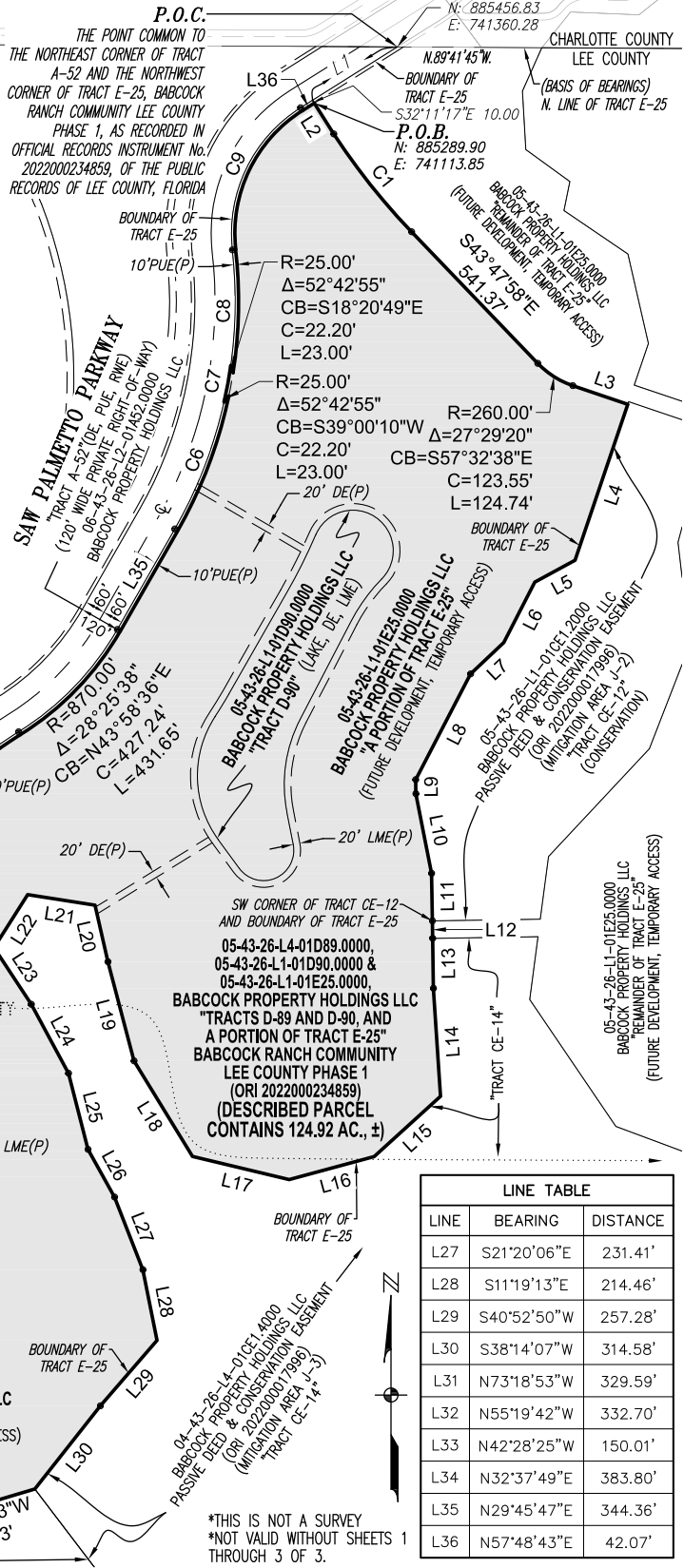
DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-085	05-43-26	AS SHOWN	1 OF 3

CURVE TABLE					
CURVE	RADIUS	DELTA	CHORD BEARING	CHORD	LENGTH
C1	2005.00'	10°37'33"	S38°29'12"E	371.30'	371.84'
C2	505.00'	35°59'30"	N14°38'04"E	312.04'	317.23'
C3	920.00'	9°11'07"	N89°00'58"E	147.33'	147.49'
C4	910.00'	8°16'14"	N81°31'26"E	131.24'	131.36'
C5	25.00'	52°30'53"	S51°07'52"W	22.12'	22.91'
C6	1370.00'	17°56'59"	N20°47'17"E	427.44'	429.19'
C7	1360.00'	4°38'04"	N10°19'41"E	109.98'	110.01'
C8	1370.00'	15°20'40"	N01°10'13"E	365.81'	366.90'
C9	430.00'	64°18'50"	N25°39'18"E	457.73'	482.67'

LINE TABLE			LINE TABLE		
LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE
L1	S57°48'43"W	297.47'	L19	N14°42'21"W	304.58'
L2	S32°11'17"E	108.58'	L20	N12°53'08"W	172.38'
L3	S71°17'18"E	172.34'	L21	N81°02'07"W	202.42'
L4	S18°40'25"W	489.35'	L22	S32°22'13"W	186.74'
L5	S61°33'16"W	136.08'	L23	S33°17'53"E	201.28'
L6	S27°09'36"W	201.94'	L24	S28°19'19"E	232.92'
L7	S46°33'57"W	135.46'	L25	S14°21'39"E	233.36'
L8	S27°26'21"W	354.12'	L26	S29°04'31"E	162.41'
L9	S00°49'09"E	41.71'			
L10	S11°10'01"E	241.23'			
L11	S00°52'53"E	141.29'			
L12	S00°52'54"E	52.00'			
L13	S00°52'57"E	148.48'			
L14	S03°45'19"E	321.39'			
L15	S47°41'02"W	266.17'			
L16	S74°51'31"W	261.65'			
L17	N76°32'04"W	295.40'			
L18	N31°27'07"W	332.79'			

LINE TABLE			LINE TABLE		
LINE	BEARING	DISTANCE	LINE	BEARING	DISTANCE
L19	N14°42'21"W	304.58'	L27	S11°19'13"E	214.46'
L20	N12°53'08"W	172.38'	L28	S40°52'50"W	257.28'
L21	N81°02'07"W	202.42'	L29	S38°14'07"W	314.58'
L22	S32°22'13"W	186.74'	L30	N73°18'53"W	329.59'
L23	S33°17'53"E	201.28'	L31	N55°19'42"W	332.70'
L24	S28°19'19"E	232.92'	L32	N42°28'25"W	150.01'
L25	S14°21'39"E	233.36'	L33	N32°37'49"E	383.80'
L26	S29°04'31"E	162.41'	L34	N29°45'47"E	344.36'

LINE TABLE		
LINE	BEARING	DISTANCE
L27	S21°20'06"E	231.41'
L28	S11°19'13"E	214.46'
L29	S40°52'50"W	257.28'
L30	S38°14'07"W	314.58'
L31	N73°18'53"W	329.59'
L32	N55°19'42"W	332.70'
L33	N42°28'25"W	150.01'
L34	N32°37'49"E	383.80'
L35	N29°45'47"E	344.36'
L36	N57°48'43"E	42.07'



O:\2014\20149943-085\Sketches\BRC Lee CountyParcel 1 DO Limits - S&D.dwg (sketch) mib May 21, 2024 - 12:41pm



JOHNSON ENGINEERING, INC.  
 2122 JOHNSON STREET  
 FORT MYERS, FLORIDA 33902-1550  
 PHONE: (239) 334-0046  
 E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION				
BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 1 DEVELOPMENT ORDER LIMITS SECTIONS 5 & 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST LEE COUNTY, FLORIDA				
DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-085	05-43-26	1"=500'	2 OF 3

\*THIS IS NOT A SURVEY  
 \*NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.

**DESCRIPTION**

BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 1  
DEVELOPMENT ORDER LIMITS  
A PARCEL OF LAND  
ALL OF TRACTS D-89, D-90 AND A PORTION OF TRACT E-25  
BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1  
SECTIONS 5 AND 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
LEE COUNTY, FLORIDA

A PARCEL OF LAND BEING ALL OF TRACTS D-89 AND D-90, AND A PORTION OF TRACT E-25, BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, AS RECORDED IN OFFICIAL RECORDS INSTRUMENT NUMBER 2022000234859, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, LYING IN SECTIONS 5 AND 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT A POINT COMMON TO THE NORTHEAST CORNER OF TRACT A-52 (SAW PALMETTO PARKWAY-120 FEET WIDE) OF THE AFOREMENTIONED PLAT OF BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, AND THE NORTHWEST CORNER OF SAID TRACT E-25, THENCE S.57°48'43"W., ALONG THE BOUNDARY OF SAID TRACT E-25, FOR 297.47 FEET; THENCE S.32°11'17"E. DEPARTING SAID BOUNDARY, FOR 10.00 FEET TO THE SOUTHEASTERLY LINE OF AN EXISTING 10 FOOT WIDE PUBLIC UTILITY EASEMENT AS SHOWN ON SAID PLAT AND TO THE POINT OF BEGINNING.

FROM SAID POINT OF BEGINNING, THENCE S.32°11'17"E., DEPARTING SAID EXISTING EASEMENT LINE, FOR 108.58 FEET TO A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 2,005.00 FEET, (CENTRAL ANGLE OF 10°37'33"), (CHORD BEARING OF S.38°29'12"E.), (CHORD LENGTH OF 371.30 FEET), AN ARC LENGTH OF 371.84 FEET; THENCE S.43°47'58"E., FOR 541.37 FEET TO A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 260.00 FEET, (CENTRAL ANGLE OF 27°29'20"), (CHORD BEARING OF S.57°32'38"E.), (CHORD LENGTH OF 123.55 FEET), AN ARC LENGTH OF 124.74 FEET; THENCE S.71°17'18"E., FOR 172.34 FEET TO AN INTERSECTION WITH THE BOUNDARY OF THE AFOREMENTIONED TRACT E-25; THENCE ALONG SAID BOUNDARY OF TRACT E-25 FOR THE FOLLOWING EIGHT (8) COURSES:

1. S.18°40'25"W., FOR 489.35 FEET;
2. S.61°33'16"W., FOR 136.08 FEET;
3. S.27°09'36"W., FOR 201.94 FEET;
4. S.46°33'57"W., FOR 135.46 FEET;
5. S.27°26'21"W., FOR 354.12 FEET;
6. S.00°49'10"E., FOR 41.71 FEET;
7. S.11°10'01"E., FOR 241.23 FEET;
8. S.00°52'53"E., FOR 141.29 FEET

TO A POINT COMMON TO THE SOUTHWEST CORNER OF TRACT CE-12, OF THE AFOREMENTIONED PLAT AND THE BOUNDARY OF SAID TRACT E-25; THENCE S.00°52'54"E. DEPARTING SAID BOUNDARY, FOR 52.00 FEET TO AN INTERSECTION WITH SAID BOUNDARY OF TRACT E-25; THENCE ALONG SAID BOUNDARY OF TRACT E-25 FOR THE FOLLOWING TWENTY-THREE (23) COURSES:

1. S.00°52'57"E., FOR 148.48 FEET;
2. S.03°45'19"E., FOR 321.39 FEET;
3. S.47°41'02"W., FOR 266.17 FEET;
4. S.74°51'31"W., FOR 261.65 FEET;
5. N.76°32'04"W., FOR 295.40 FEET;
6. N.31°27'07"W., FOR 332.79 FEET;
7. N.14°42'21"W., FOR 304.58 FEET;
8. N.12°53'08"W., FOR 172.38 FEET;
9. N.81°02'07"W., FOR 202.42 FEET;
10. S.32°22'13"W., FOR 186.74 FEET;
11. S.33°17'53"E., FOR 201.28 FEET;
12. S.28°19'19"E., FOR 232.92 FEET;
13. S.14°21'39"E., FOR 233.36 FEET;
14. S.29°04'31"E., FOR 162.41 FEET;
15. S.21°20'06"E., FOR 231.41 FEET;
16. S.11°19'13"E., FOR 214.46 FEET;
17. S.40°52'50"W., FOR 257.28 FEET;
18. S.38°14'07"W., FOR 314.58 FEET;
19. S.73°26'23"W., FOR 461.13 FEET;
20. N.73°18'53"W., FOR 329.59 FEET;
21. N.55°19'42"W., FOR 332.70 FEET;
22. N.42°28'25"W., FOR 150.01 FEET;
23. N.57°22'11"W., FOR 633.63 FEET;

(DESCRIPTION CONTINUED ON RIGHT SIDE OF THIS SHEET)

(DESCRIPTION CONTINUED FROM LEFT SIDE OF THIS SHEET)

THENCE N.32°37'49"E. DEPARTING SAID BOUNDARY OF TRACT E-25, FOR 383.80 FEET TO A POINT ON A CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 505.00 FEET, (CENTRAL ANGLE OF 35°59'30"), (CHORD BEARING OF N.14°38'04"E.), (CHORD LENGTH OF 312.04 FEET), AN ARC LENGTH OF 317.23 FEET TO AN INTERSECTION WITH THE AFOREMENTIONED SOUTHEASTERLY LINE OF AN EXISTING 10 FOOT WIDE PUBLIC UTILITY EASEMENT AND A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID 10 FOOT WIDE PUBLIC UTILITY EASEMENT AND SAID CURVE TO THE LEFT HAVING A RADIUS OF 920.00 FEET, (CENTRAL ANGLE OF 09°11'07"), (CHORD BEARING OF N.89°00'58"E.), (CHORD LENGTH OF 147.33 FEET), AN ARC LENGTH OF 147.49 FEET TO A POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE DEPARTING SAID EASEMENT LINE AND ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 52°30'53"), (CHORD BEARING OF N.68°05'01"W.), (CHORD LENGTH OF 22.12 FEET), AN ARC LENGTH OF 22.91 FEET TO THE AFOREMENTIONED BOUNDARY OF SAID TRACT E-25 AND A POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID BOUNDARY AND CURVE TO THE LEFT HAVING A RADIUS OF 910.00 FEET, (CENTRAL ANGLE OF 08°16'14"), (CHORD BEARING OF N.81°31'26"E.), (CHORD LENGTH OF 131.24 FEET), AN ARC LENGTH OF 131.36 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE DEPARTING SAID BOUNDARY AND ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 52°30'53"), (CHORD BEARING OF S.51°07'52"W.), (CHORD LENGTH OF 22.12 FEET), AN ARC LENGTH OF 22.91 FEET TO THE AFOREMENTIONED SOUTHEASTERLY EASEMENT LINE AND A POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID EASEMENT LINE FOR THE FOLLOWING FIVE (5) COURSES:

1. ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 920.00 FEET, (CENTRAL ANGLE OF 52°21'04"), (CHORD BEARING OF N.52°26'55"E.), (CHORD LENGTH OF 811.67 FEET), AN ARC LENGTH OF 840.60 FEET TO A POINT OF REVERSE CURVATURE TO THE RIGHT;
2. ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1,230.00 FEET, (A CENTRAL ANGLE OF 31°55'02"), (CHORD BEARING OF N.42°13'54"E.), (CHORD LENGTH OF 676.36 FEET), AN ARC LENGTH OF 685.19 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT;
3. ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 870.00 FEET, (A CENTRAL ANGLE OF 28°25'38"), (CHORD BEARING OF N.43°58'36"E.), (CHORD LENGTH OF 427.24 FEET), AN ARC LENGTH OF 431.65 FEET;
4. N.29°45'47"E., 344.36 FEET TO A POINT OF CURVATURE TO THE LEFT;
5. ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,370.00 FEET, (CENTRAL ANGLE OF 17°56'59"), (CHORD BEARING OF N.20°47'17"E.), (CHORD LENGTH OF 427.44 FEET), AN ARC LENGTH OF 429.19 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT;

THENCE DEPARTING SAID EASEMENT LINE AND ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 52°42'55"), (CHORD BEARING OF S.39°00'10"W.), (CHORD LENGTH OF 22.20 FEET), AN ARC LENGTH OF 23.00 FEET TO THE AFOREMENTIONED BOUNDARY OF TRACT E-25 AND THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID BOUNDARY AND SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,360.00 FEET, (CENTRAL ANGLE OF 04°38'04"), (CHORD BEARING OF N.10°19'41"E.), (CHORD LENGTH OF 109.98 FEET), AN ARC LENGTH OF 110.01 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE DEPARTING SAID BOUNDARY AND ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 52°42'55"), (CHORD BEARING OF S.18°20'49"E.), (CHORD LENGTH OF 22.20 FEET), AN ARC LENGTH OF 23.00 FEET TO THE AFOREMENTIONED SOUTHEASTERLY EASEMENT LINE AND THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID EASEMENT LINE FOR THE FOLLOWING THREE (3) COURSES:

1. ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,370.00 FEET, (CENTRAL ANGLE OF 15°20'40"), (CHORD BEARING OF N.01°10'13"E.), (CHORD LENGTH OF 365.81 FEET), AN ARC LENGTH OF 366.90 FEET TO A POINT OF REVERSE CURVATURE TO THE RIGHT;
2. ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 430.00 FEET, (A CENTRAL ANGLE OF 64°18'50"), (CHORD BEARING OF N.25°39'18"E.), (CHORD LENGTH OF 457.73 FEET), AN ARC LENGTH OF 482.67 FEET;
3. N.57°48'43"E., 42.07 FEET

TO THE POINT OF BEGINNING.

DESCRIBED PARCEL CONTAINS 124.92 ACRES, MORE OR LESS.

\*THIS IS NOT A SURVEY.  
\*NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.

O:\2014\20149943-085\Sketches\BRC Lee County\_parcel 1 DO Limits - S&D.dwg (desc) mib May 21, 2024 - 12:43pm



JOHNSON ENGINEERING, INC.  
2122 JOHNSON STREET  
FORT MYERS, FLORIDA 33902-1550  
PHONE: (239) 334-0046  
E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION				
BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 1 DEVELOPMENT ORDER LIMITS SECTIONS 5 & 6, TOWNSHIP 43 SOUTH, RANGE 26 EAST LEE COUNTY, FLORIDA				
DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-085	05-43-26	N/A	3 OF 3

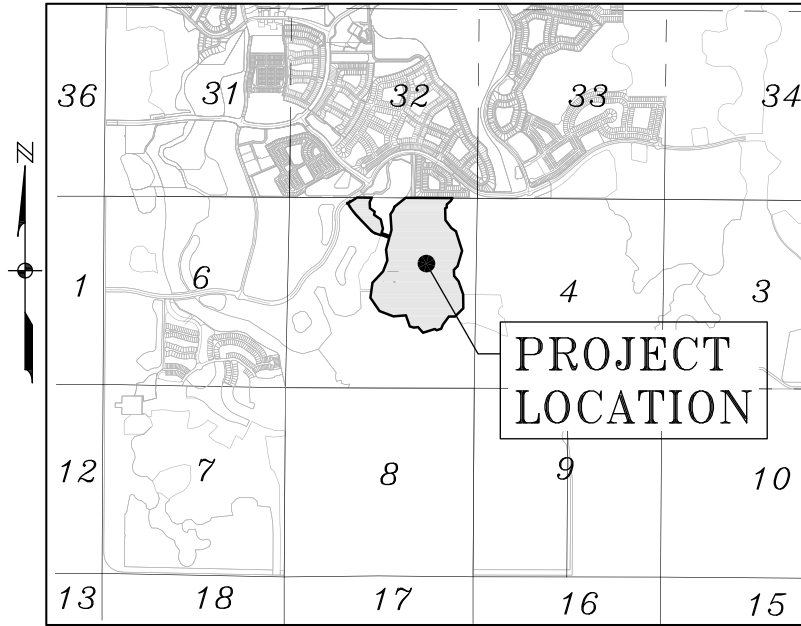
Bond Assessments in the approximate amount of \$10,685,486.29 are proposed to be levied on an equal pro-rata gross acre basis based on the planned development of 124 residential units (as outlined in Table 1) within the Lee County Parcel 2 on the land described as follows, which constitutes the Lee County Parcel 2 portion of Phase VII Assessment Area:

# SKETCH AND DESCRIPTION

## BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 2 DEVELOPMENT ORDER LIMITS

LYING IN  
SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
LEE COUNTY, FLORIDA

VICINITY MAP  
1"=5000'



0 1250 2500 5000  
(INTENDED DISPLAY SCALE: 1"=5000')

**THIS IS NOT A SURVEY**

I HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE LEGAL DESCRIPTION AND ATTACHED SKETCH WERE PREPARED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF CHAPTER 5J-17.05, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO CHAPTER 472, FLORIDA STATUTES.

**NOTES:**

1. THIS IS NOT A BOUNDARY SURVEY, NOR IS IT INTENDED TO BE USED AS ONE.
2. COORDINATES AND HORIZONTAL DATA SHOWN HEREON ARE IN GRID FEET AND ARE PROJECTED ONTO THE FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (NAD83), 99 ADJUSTMENT.
3. BEARINGS SHOWN HEREON ARE BASED ON THE NORTH LINE OF TRACT E-25, BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, WHEREIN SAID NORTH LINE BEARS S.89°41'45"E.
4. DESCRIBED PARCEL CONTAINS 175.77 ACRES, MORE OR LESS.
5. P.O.C. = POINT OF COMMENCEMENT
6. P.O.B. = POINT OF BEGINNING
7. ORI = OFFICIAL RECORDS INSTRUMENT
8. STRAP = LEE COUNTY PARCEL NUMBER
9. DE = DRAINAGE EASEMENT
10. PUE = PUBLIC UTILITY EASEMENT
11. LME = LAKE MAINTENANCE EASEMENT
12. RWE = RIGHT-OF-WAY EASEMENT
13. AC. = ACRES
14. (P) = PLAT
15. NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.

THIS SKETCH HAS BEEN DIGITALLY SIGNED BY:  
KEVIN M. RISCASSI (FOR THE FIRM L.B. 642)  
PROFESSIONAL SURVEYOR AND MAPPER  
FLORIDA CERTIFICATE NO. 6433  
ON THE DATE ADJACENT TO THE SEAL.

PRINTED COPIES OF THIS DOCUMENT ARE NOT CONSIDERED SIGNED AND SEALED, AND THE DIGITAL SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

O:\2014\20149943-086\Sketches\BRC\_Parcel 2\_development\_order\_parcel - S&D.dwg (cover) mib May 21, 2024 - 10:39am

NOTICE: THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED AND SEALED UNDER RULE 5J-17.062, F.A.C.

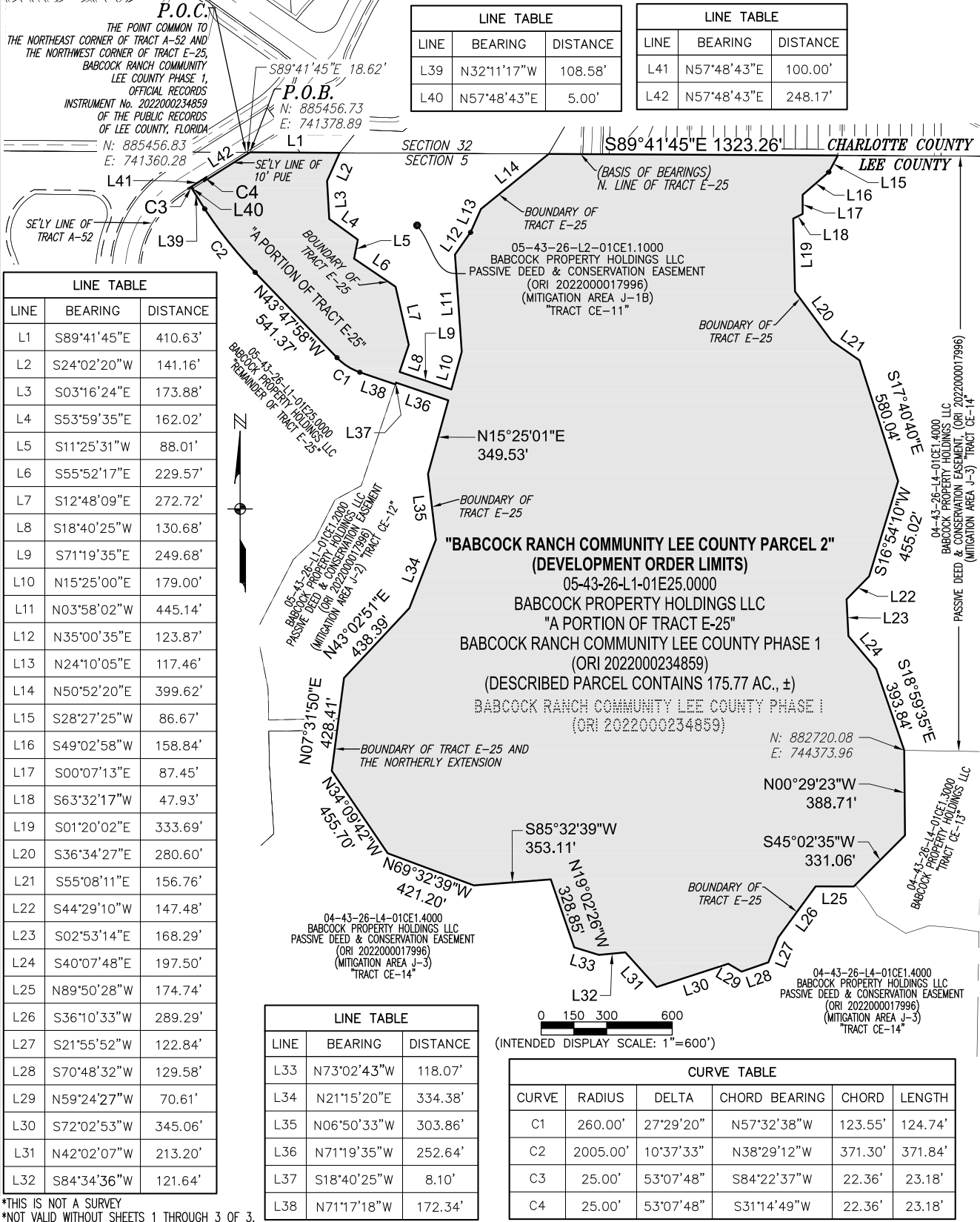


JOHNSON ENGINEERING, INC.  
2122 JOHNSON STREET  
FORT MYERS, FLORIDA 33902-1550  
PHONE: (239) 334-0046  
E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION  
BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 2  
DEVELOPMENT ORDER LIMITS  
SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
LEE COUNTY, FLORIDA

DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-086	05-43-26	AS SHOWN	1 OF 3

O:\2014\20149943-086\Sketches\BRC\_Parcel 2\_DO Limits - S&D.dwg (sketch) mib May 21, 2024 - 12:49pm



**P.O.C.**  
THE POINT COMMON TO  
THE NORTHEAST CORNER OF TRACT A-52 AND  
THE NORTHWEST CORNER OF TRACT E-25,  
BABCOCK RANCH COMMUNITY  
LEE COUNTY PHASE 1,  
OFFICIAL RECORDS  
INSTRUMENT No. 2022000234859  
OF THE PUBLIC RECORDS  
OF LEE COUNTY, FLORIDA  
N: 885456.83  
E: 741360.28

**P.O.B.**  
N: 885456.73  
E: 741378.89

LINE TABLE		
LINE	BEARING	DISTANCE
L39	N32°11'17"W	108.58'
L40	N57°48'43"E	5.00'

LINE TABLE		
LINE	BEARING	DISTANCE
L41	N57°48'43"E	100.00'
L42	N57°48'43"E	248.17'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S89°41'45"E	410.63'
L2	S24°02'20"W	141.16'
L3	S03°16'24"E	173.88'
L4	S53°59'35"E	162.02'
L5	S11°25'31"W	88.01'
L6	S55°52'17"E	229.57'
L7	S12°48'09"E	272.72'
L8	S18°40'25"W	130.68'
L9	S71°19'35"E	249.68'
L10	N15°25'00"E	179.00'
L11	N03°58'02"W	445.14'
L12	N35°00'35"E	123.87'
L13	N24°10'05"E	117.46'
L14	N50°52'20"E	399.62'
L15	S28°27'25"W	86.67'
L16	S49°02'58"W	158.84'
L17	S00°07'13"E	87.45'
L18	S63°32'17"W	47.93'
L19	S01°20'02"E	333.69'
L20	S36°34'27"E	280.60'
L21	S55°08'11"E	156.76'
L22	S44°29'10"W	147.48'
L23	S02°53'14"E	168.29'
L24	S40°07'48"E	197.50'
L25	N89°50'28"W	174.74'
L26	S36°10'33"W	289.29'
L27	S21°55'52"W	122.84'
L28	S70°48'32"W	129.58'
L29	N59°24'27"W	70.61'
L30	S72°02'53"W	345.06'
L31	N42°02'07"W	213.20'
L32	S84°34'36"W	121.64'

LINE TABLE		
LINE	BEARING	DISTANCE
L33	N73°02'43"W	118.07'
L34	N21°15'20"E	334.38'
L35	N06°50'33"W	303.86'
L36	N71°19'35"W	252.64'
L37	S18°40'25"W	8.10'
L38	N71°17'18"W	172.34'

CURVE TABLE					
CURVE	RADIUS	DELTA	CHORD BEARING	CHORD	LENGTH
C1	260.00'	27°29'20"	N57°32'38"W	123.55'	124.74'
C2	2005.00'	10°37'33"	N38°29'12"W	371.30'	371.84'
C3	25.00'	53°07'48"	S84°22'37"W	22.36'	23.18'
C4	25.00'	53°07'48"	S31°14'49"W	22.36'	23.18'

\*THIS IS NOT A SURVEY  
\*NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.



JOHNSON ENGINEERING, INC.  
2122 JOHNSON STREET  
FORT MYERS, FLORIDA 33902-1550  
PHONE: (239) 334-0046  
E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION				
BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 2 DEVELOPMENT ORDER LIMITS SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST LEE COUNTY, FLORIDA				
DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-086	05-43-26	1"=600'	2 OF 3

**DESCRIPTION**

BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 2  
DEVELOPMENT ORDER LIMITS  
A PARCEL OF LAND  
LYING IN A PORTION OF TRACT E-25,  
BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1,  
SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
LEE COUNTY, FLORIDA

A PARCEL OF LAND LYING IN A PORTION OF TRACT E-25, BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, AS RECORDED IN OFFICIAL RECORDS INSTRUMENT NUMBER 2022000234859, OF THE PUBLIC RECORDS OF LEE COUNTY, FLORIDA, LYING IN SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST, LEE COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCING** AT A POINT COMMON TO THE NORTHEAST CORNER OF TRACT A-52 (SAW PALMETTO PARKWAY-120 FEET WIDE) OF THE AFOREMENTIONED PLAT OF BABCOCK RANCH COMMUNITY LEE COUNTY PHASE 1, AND THE NORTHWEST CORNER OF SAID TRACT E-25, THENCE S.89°41'45"E., ALONG THE NORTH LINE OF SAID TRACT E-25, 18.62 FEET TO THE SOUTHEASTERLY LINE OF AN EXISTING 10 FOOT WIDE PUBLIC UTILITY EASEMENT AS SHOWN ON SAID PLAT AND TO THE **POINT OF BEGINNING**.  
FROM SAID **POINT OF BEGINNING**, THENCE ALONG THE BOUNDARY OF SAID TRACT E-25 FOR THE FOLLOWING FORTY-FOUR (44) COURSES:

1. S.89°41'45"E., 410.63 FEET;
2. S.24°02'20"W., 141.16 FEET;
3. S.03°16'24"E., 173.88 FEET;
4. S.53°59'35"E., 162.02 FEET;
5. S.11°25'31"W., 88.01 FEET;
6. S.55°52'17"E., 229.57 FEET;
7. S.12°48'09"E., 272.72 FEET;
8. S.18°40'25"W., 130.68 FEET;
9. S.71°19'35"E., 249.68 FEET;
10. N.15°25'00"E., 179.00 FEET;
11. N.03°58'02"W., 445.14 FEET;
12. N.35°00'35"E., 123.87 FEET;
13. N.24°10'05"E., 117.46 FEET;
14. N.50°52'20"E., 399.62 FEET;
15. S.89°41'45"E., 1,323.26 FEET;
16. S.28°27'25"W., 86.67 FEET;
17. S.49°02'58"W., 158.84 FEET;
18. S.00°07'13"E., 87.45 FEET;
19. S.63°32'17"W., 47.93 FEET;
20. S.01°20'02"E., 333.69 FEET;
21. S.36°34'27"E., 280.60 FEET;
22. S.55°08'11"E., 156.76 FEET;
23. S.17°40'40"E., 580.04 FEET;
24. S.16°54'10"W., 455.02 FEET;
25. S.44°29'10"W., 147.48 FEET;
26. S.02°53'14"E., 168.29 FEET;
27. S.40°07'48"E., 197.50 FEET;
28. S.18°59'35"E., 393.84 FEET;
29. S.00°29'23"E., 388.71 FEET;
30. S.45°02'35"W., 331.06 FEET;
31. N.89°50'28"W., 174.74 FEET;
32. S.36°10'33"W., 289.29 FEET;
33. S.21°55'52"W., 122.84 FEET;
34. S.70°48'32"W., 129.58 FEET;
35. N.59°24'27"W., 70.61 FEET;
36. S.72°02'53"W., 345.06 FEET;
37. N.42°02'07"W., 213.20 FEET;
38. S.84°34'36"W., 121.64 FEET;
39. N.73°02'43"W., 118.07 FEET;
40. N.19°02'26"W., 328.85 FEET;
41. S.85°32'39"W., 353.11 FEET;
42. N.69°32'39"W., 421.20 FEET;
43. N.34°09'42"W., 455.70 FEET;
44. N.07°31'50"W., 428.41 FEET

(DESCRIPTION CONTINUED ON RIGHT SIDE OF THIS SHEET)

(DESCRIPTION CONTINUED FROM LEFT SIDE OF THIS SHEET)

ALONG SAID BOUNDARY AND THE NORTHERLY EXTENSION THEREOF TO SAID BOUNDARY OF TRACT E-25; THENCE CONTINUE ALONG SAID BOUNDARY OF TRACT E-25 FOR THE FOLLOWING SIX (6) COURSES:

1. N.43°02'51"E., A DISTANCE OF 438.39 FEET;
2. N.21°15'20"E., A DISTANCE OF 334.38 FEET;
3. N.06°50'33"W., A DISTANCE OF 303.86 FEET;
4. N.15°25'01"E., A DISTANCE OF 349.53 FEET;
5. N.71°19'35"W., A DISTANCE OF 252.64 FEET;
6. S.18°40'25"W., A DISTANCE OF 8.10 FEET;

THENCE N.71°17'18"W. DEPARTING SAID BOUNDARY, 172.34 FEET TO A POINT OF CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 260.00 FEET, (CENTRAL ANGLE OF 27°29'20"), (CHORD BEARING OF N.57°32'38"W.), (CHORD LENGTH OF 123.55 FEET), AN ARC LENGTH OF 124.74 FEET; THENCE N.43°47'58"W., 541.37 FEET TO A POINT OF CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 2005.00 FEET, (CENTRAL ANGLE OF 10°37'33"), (CHORD BEARING OF N.38°29'12"W.), (CHORD LENGTH OF 371.30 FEET), AN ARC LENGTH OF 371.84 FEET; THENCE N.32°11'17"W., 108.58 FEET TO THE AFOREMENTIONED SOUTHEASTERLY LINE OF A 10 FOOT WIDE PUBLIC UTILITY EASEMENT OF SAID PLAT; THENCE N.57°48'43"E., ALONG SAID SOUTHEASTERLY EASEMENT LINE, 5.00 FEET TO A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 53°07'48"), (CHORD BEARING OF S.84°22'37"W.), (CHORD LENGTH OF 22.36 FEET), AN ARC LENGTH OF 23.18 FEET TO THE SOUTHEASTERLY LINE OF AFOREMENTIONED TRACT A-52 OF SAID PLAT; THENCE N.57°48'43"E., ALONG SAID SOUTHEASTERLY TRACT LINE, 100.00 FEET TO A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 25.00 FEET, (CENTRAL ANGLE OF 53°07'48"), (CHORD BEARING OF S.31°14'49"W.), (CHORD LENGTH OF 22.36 FEET), AN ARC LENGTH OF 23.18 FEET TO THE AFOREMENTIONED SOUTHEASTERLY LINE OF A 10 FOOT WIDE PUBLIC UTILITY EASEMENT OF SAID PLAT; THENCE N.57°48'43"E., ALONG SAID SOUTHEASTERLY EASEMENT LINE, 248.17 FEET TO THE **POINT OF BEGINNING**.

DESCRIBED PARCEL CONTAINS 175.77 ACRES, MORE OR LESS.

\*THIS IS NOT A SURVEY.

\*NOT VALID WITHOUT SHEETS 1 THROUGH 3 OF 3.

O:\2014\20149943-086\Sketches\BRC\_Parcel 2\_development\_order\_parcel - S&D.dwg (desc) mib May 21, 2024 - 10:45am



JOHNSON ENGINEERING, INC.  
2122 JOHNSON STREET  
FORT MYERS, FLORIDA 33902-1550  
PHONE: (239) 334-0046  
E.B. #642 & L.B. #642

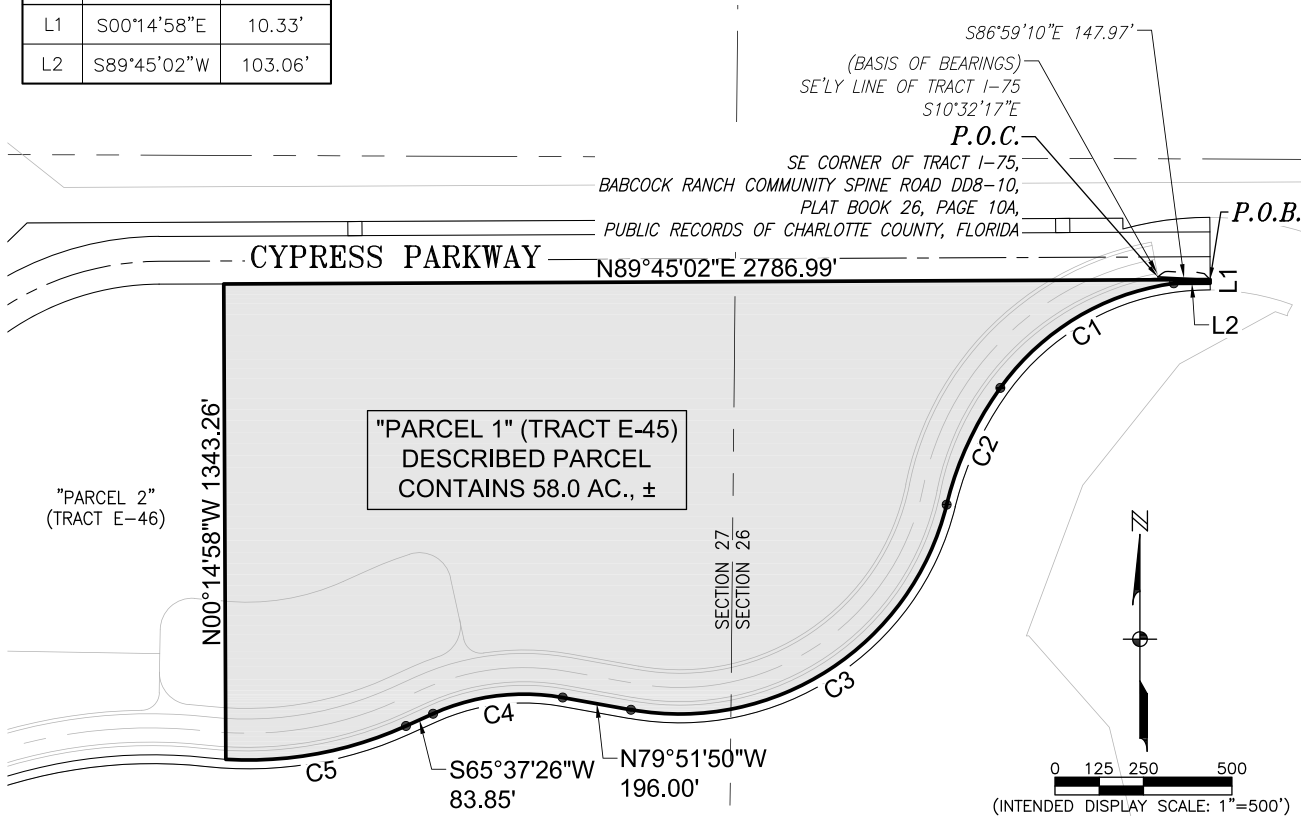
SKETCH AND DESCRIPTION  
BABCOCK RANCH COMMUNITY LEE COUNTY PARCEL 2  
DEVELOPMENT ORDER LIMITS  
SECTION 5, TOWNSHIP 43 SOUTH, RANGE 26 EAST  
LEE COUNTY, FLORIDA

DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/20/24	20149943-086	05-43-26	N/A	3 OF 3

Bond Assessments in the approximate amount of \$7,243,559.49 are proposed to be levied on an equal pro-rata gross acre basis based on the planned development of 220 residential units (as outlined in Table 1) within the Midtown Parcel 1 on the land described as follows, which constitutes the Midtown Parcel 1 portion of Phase VII Assessment Area:



LINE TABLE		
LINE	BEARING	DISTANCE
L1	S00°14'58"E	10.33'
L2	S89°45'02"W	103.06'



CURVE TABLE					
CURVE	RADIUS	DELTA	CHORD BEARING	CHORD	LENGTH
C1	722.50'	46°38'51"	S58°55'00"W	572.11'	588.22'
C2	962.50'	21°44'52"	S24°43'08"W	363.15'	365.34'
C3	777.50'	86°17'27"	S56°59'26"W	1063.39'	1170.96'
C4	622.50'	34°30'44"	S82°52'48"W	369.32'	374.96'
C5	1077.50'	27°47'00"	S79°30'56"W	517.39'	522.49'

**THIS IS NOT A SURVEY**

I HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE LEGAL DESCRIPTION AND ATTACHED SKETCH WERE PREPARED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF CHAPTER 5J-17.05, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO CHAPTER 472, FLORIDA STATUTES.

THIS SKETCH HAS BEEN DIGITALLY SIGNED BY:  
KEVIN M. RISSASSI (FOR THE FIRM L.B. 642)  
PROFESSIONAL SURVEYOR AND MAPPER  
FLORIDA CERTIFICATE NO. 6433  
ON THE DATE ADJACENT TO THE SEAL.

PRINTED COPIES OF THIS DOCUMENT ARE NOT CONSIDERED SIGNED AND SEALED, AND THE DIGITAL SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

**NOTES:**

1. THIS IS NOT A BOUNDARY SURVEY, NOR IS IT INTENDED TO BE USED AS ONE.
2. COORDINATES AND HORIZONTAL DATA SHOWN HEREON ARE IN GRID FEET AND ARE PROJECTED ONTO THE FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (NAD83), 99 ADJUSTMENT.
3. BEARINGS SHOWN HEREON ARE BASED ON THE SOUTHEASTERLY LINE OF TRACT "I-75" PLAT OF BABCOCK RANCH COMMUNITY SPINE ROAD DD8-10, WHEREIN SAID SOUTHEASTERLY LINE BEARS S10°32'17"E.
4. DESCRIBED PARCEL CONTAINS 58.0 ACRES, MORE OR LESS.
5. P.O.C. = POINT OF COMMENCEMENT
6. P.O.B. = POINT OF BEGINNING
7. AC. = ACRES
8. R = RADIUS
9. Δ = DELTA
10. CB = CHORD BEARING
11. C = CHORD
12. NOT VALID WITHOUT SHEETS 1 THROUGH 2 OF 2.



JOHNSON ENGINEERING, INC.  
2122 JOHNSON STREET  
FORT MYERS, FLORIDA 33902-1550  
PHONE: (239) 334-0046  
E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION  
MIDTOWN AT BABCOCK RANCH PARCEL 1 (TRACT E-45)  
LYING IN SECTIONS 26 & 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST  
CHARLOTTE COUNTY, FLORIDA

DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/18/24	20192003-034	26-42-26	1"=500'	1 OF 2

O:\2019\20192003-034\Surveying\Sketches\Midtown At BRC\Parcel 1 (Tract E-45)\Midtown At BRC - S&D.dwg (1) mib May 20, 2024 - 11:07am

NOTICE: THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED AND SEALED UNDER RULE 5J-17.062, F.A.C.

**DESCRIPTION**

"PARCEL 1" (TRACT E-45)  
 A PARCEL OF LAND LYING IN  
 SECTIONS 26 & 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST  
 CHARLOTTE COUNTY, FLORIDA


A PARCEL OF LAND LYING IN SECTIONS 26 AND 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST, CHARLOTTE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCE** AT THE SOUTHEAST CORNER OF TRACT I-75, BABCOCK RANCH COMMUNITY SPINE ROAD DD8-10, AS RECORDED IN PLAT BOOK 26, PAGE 10A, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA, THENCE S.86°59'10"E., 147.97 FEET TO THE **POINT OF BEGINNING**; THENCE S.00°14'58"E., 10.33 FEET; THENCE S.89°45'02"W., 103.06 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 722.50 FEET, (CENTRAL ANGLE OF 46°38'51"), (CHORD BEARING OF S.58°55'00"W.), (CHORD LENGTH OF 572.11 FEET), AN ARC LENGTH OF 588.22 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 962.50 FEET, (CENTRAL ANGLE OF 21°44'52"), (CHORD BEARING OF S.24°43'08"W.), (CHORD LENGTH OF 363.15 FEET), AN ARC LENGTH OF 365.34 FEET TO A POINT OF REVERSE CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 777.50 FEET, (A CENTRAL ANGLE OF 86°17'27"), (CHORD BEARING OF S.56°59'26"W.), (CHORD LENGTH OF 1,063.39 FEET), AN ARC LENGTH OF 1,170.96 FEET; THENCE N.79°51'50"W., 196.00 FEET TO A POINT OF CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 622.50 FEET, (CENTRAL ANGLE OF 34°30'44"), (CHORD BEARING OF S.82°52'48"W.), (CHORD LENGTH OF 369.32 FEET), AN ARC LENGTH OF 374.96 FEET; THENCE S.65°37'26"W., 83.85 FEET TO A POINT OF CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1,077.50 FEET, (CENTRAL ANGLE OF 27°47'00"), (CHORD BEARING OF S.79°30'56"W.), (CHORD LENGTH OF 517.39 FEET), AN ARC LENGTH OF 522.49 FEET; THENCE N.00°14'58"W., 1,343.26 FEET; THENCE N.89°45'02"E., 2,786.99 FEET **POINT OF BEGINNING**.

DESCRIBED PARCEL OF LAND CONTAINS 58.0 ACRES, MORE OR LESS.

\*THIS IS NOT A SURVEY.  
 \*NOT VALID WITHOUT SHEETS 1 THROUGH 2 OF 2.

O:\2019\20192003-034\Surveying\Sketches\Midtown At BRC\Parcel 1 (Tract E-45) Midtown at BRC - S&D.dwg (2) mib May 20, 2024 - 11:12am

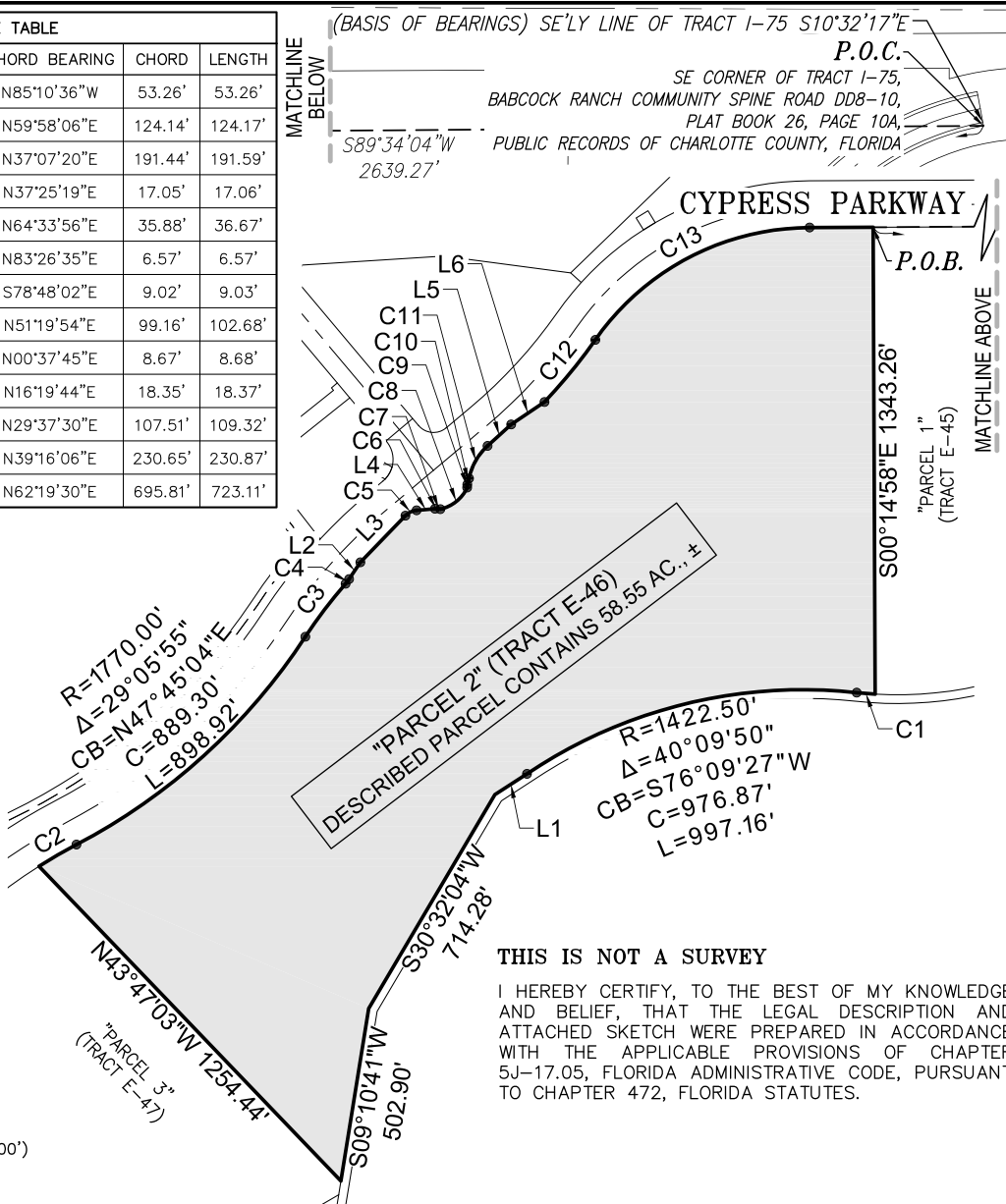
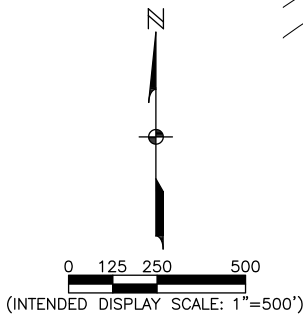
	JOHNSON ENGINEERING, INC. 2122 JOHNSON STREET FORT MYERS, FLORIDA 33902-1550 PHONE: (239) 334-0046 E.B. #642 & L.B. #642					SKETCH AND DESCRIPTION MIDTOWN AT BABCOCK RANCH PARCEL 1 (TRACT E-45) LYING IN SECTIONS 26 & 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST CHARLOTTE COUNTY, FLORIDA				
	DATE	PROJECT NO.	FILE NO.	SCALE	SHEET	05/18/24	20192003-034	26-42-26	N/A	2 OF 2

Bond Assessments in the approximate amount of \$6,786,403.40 are proposed to be levied on an equal pro-rata gross acre basis based on the planned development of 231 residential units (as outlined in Table 1) within the Midtown Parcel 2 on the land described as follows, which constitutes the Midtown Parcel 2 portion of Phase VII Assessment Area:

O:\2019\20192003-034\Surveying\Sketches\Midtown At BRC\Parcel 2 (Tract E-46) Midtown at BRC - S&D.dwg (1) mib May 20, 2024 - 11:14am

CURVE TABLE					
CURVE	RADIUS	DELTA	CHORD BEARING	CHORD	LENGTH
C1	1077.50'	2'49'56"	N85°10'36"W	53.26'	53.26'
C2	1525.40'	4'39'51"	N59°58'06"E	124.14'	124.17'
C3	1400.00'	7'50'27"	N37°07'20"E	191.44'	191.59'
C4	135.00'	7'14'29"	N37°25'19"E	17.05'	17.06'
C5	51.00'	41'11'31"	N64°33'56"E	35.88'	36.67'
C6	111.14'	3'23'11"	N83°26'35"E	6.57'	6.57'
C7	75.00'	6'53'54"	S78°48'02"E	9.02'	9.03'
C8	112.71'	52'11'39"	N51°19'54"E	99.16'	102.68'
C9	75.00'	6'37'38"	N00°37'45"E	8.67'	8.68'
C10	111.80'	9'24'57"	N16°19'44"E	18.35'	18.37'
C11	173.00'	36'12'24"	N29°37'30"E	107.51'	109.32'
C12	1534.67'	8'37'10"	N39°16'06"E	230.65'	230.87'
C13	755.33'	54'51'04"	N62°19'30"E	695.81'	723.11'

LINE TABLE		
LINE	BEARING	DISTANCE
L1	S56°58'11"W	109.69'
L2	N33°48'04"E	57.86'
L3	N43°58'11"E	186.58'
L4	N85°09'42"E	52.79'
L5	N47°43'42"E	91.97'
L6	N55°59'07"E	115.76'
L7	N89°45'02"E	183.00'



- NOTES:**
1. THIS IS NOT A BOUNDARY SURVEY, NOR IS IT INTENDED TO BE USED AS ONE.
  2. COORDINATES AND HORIZONTAL DATA SHOWN HEREON ARE IN GRID FEET AND ARE PROJECTED ONTO THE FLORIDA STATE PLANE COORDINATE SYSTEM, WEST ZONE, NORTH AMERICAN DATUM OF 1983 (NAD83), 99 ADJUSTMENT.
  3. BEARINGS SHOWN HEREON ARE BASED ON THE SOUTHEASTERLY LINE OF TRACT "I-75" PLAT OF BABCOCK RANCH COMMUNITY SPINE ROAD DD8-10, WHEREIN SAID SOUTHEASTERLY LINE BEARS S10°32'17"E.
  4. DESCRIBED PARCEL CONTAINS 58.55 ACRES, MORE OR LESS.
  5. P.O.C. = POINT OF COMMENCEMENT
  6. P.O.B. = POINT OF BEGINNING
  7. AC. = ACRES
  8. R = RADIUS
  9. Δ = DELTA
  10. CB = CHORD BEARING
  11. C = CHORD
  12. NOT VALID WITHOUT SHEETS 1 THROUGH 2 OF 2.

**THIS IS NOT A SURVEY**

I HEREBY CERTIFY, TO THE BEST OF MY KNOWLEDGE AND BELIEF, THAT THE LEGAL DESCRIPTION AND ATTACHED SKETCH WERE PREPARED IN ACCORDANCE WITH THE APPLICABLE PROVISIONS OF CHAPTER 5J-17.05, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO CHAPTER 472, FLORIDA STATUTES.

THIS SKETCH HAS BEEN DIGITALLY SIGNED BY:  
 KEVIN M. RISCASSI (FOR THE FIRM L.B. 642)  
 PROFESSIONAL SURVEYOR AND MAPPER  
 FLORIDA CERTIFICATE NO. 6433  
 ON THE DATE ADJACENT TO THE SEAL.

PRINTED COPIES OF THIS DOCUMENT ARE NOT CONSIDERED SIGNED AND SEALED, AND THE DIGITAL SIGNATURE MUST BE VERIFIED ON ANY ELECTRONIC COPIES.

JOHNSON ENGINEERING, INC.  
 2122 JOHNSON STREET  
 FORT MYERS, FLORIDA 33902-1550  
 PHONE: (239) 334-0046  
 E.B. #642 & L.B. #642

SKETCH AND DESCRIPTION				
MIDTOWN AT BABCOCK RANCH PARCEL 2 (TRACT E-46) LYING IN SECTION 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST CHARLOTTE COUNTY, FLORIDA				
DATE	PROJECT NO.	FILE NO.	SCALE	SHEET
05/18/24	20192003-034	27-42-26	1"=500'	1 OF 2

NOTICE: THE OFFICIAL RECORD OF THIS SHEET IS THE ELECTRONIC FILE DIGITALLY SIGNED AND SEALED UNDER RULE 5J-17.062, F.A.C.

**DESCRIPTION**

"PARCEL 2" (TRACT E-46)  
A PARCEL OF LAND LYING IN  
SECTION 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST  
CHARLOTTE COUNTY, FLORIDA


A PARCEL OF LAND LYING IN SECTION 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST, CHARLOTTE COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

**COMMENCE** AT THE SOUTHEAST CORNER OF TRACT I-75, BABCOCK RANCH COMMUNITY SPINE ROAD DD8-10, AS RECORDED IN PLAT BOOK 26, PAGE 10A, OF THE PUBLIC RECORDS OF CHARLOTTE COUNTY, FLORIDA, THENCE S.89°34'04"W., 2,639.27 FEET TO THE **POINT OF BEGINNING**; THENCE S.00°14'58"E., 1,343.26 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1,077.50 FEET, (CENTRAL ANGLE OF 02°49'56"), (CHORD BEARING OF N.85°10'36"W.), (CHORD LENGTH OF 53.26 FEET), AN ARC LENGTH OF 53.26 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,422.50 FEET, (A CENTRAL ANGLE OF 40°09'50"), (CHORD BEARING OF S.76°09'27"W.), (CHORD LENGTH OF 976.87 FEET), AN ARC LENGTH OF 997.16 FEET; THENCE S.56°58'11"W., 109.69 FEET; THENCE S.30°32'04"W., 714.28 FEET; THENCE S.09°10'41"W., 502.90 FEET; THENCE N.43°47'03"W., 1,254.44 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1,525.40 FEET, (CENTRAL ANGLE OF 04°39'51"), (CHORD BEARING OF N.59°58'06"E.), (CHORD LENGTH OF 124.14 FEET), AN ARC LENGTH OF 124.17 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,770.00 FEET, (A CENTRAL ANGLE OF 29°05'55"), (CHORD BEARING OF N.47°45'04"E.), (CHORD LENGTH OF 889.30 FEET), AN ARC LENGTH OF 898.92 FEET TO A POINT OF REVERSE CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 1,400.00 FEET, (A CENTRAL ANGLE OF 07°50'27"), (CHORD BEARING OF N.37°07'20"E.), (CHORD LENGTH OF 191.44 FEET), AN ARC LENGTH OF 191.59 FEET TO A POINT OF REVERSE CURVATURE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 135.00 FEET, (A CENTRAL ANGLE OF 07°14'29"), (CHORD BEARING OF N.37°25'19"E.), (CHORD LENGTH OF 17.05 FEET), AN ARC LENGTH OF 17.06 FEET; THENCE N.33°48'04"E., 57.86 FEET; THENCE N.43°58'11"E., 186.58 FEET TO A POINT OF CURVATURE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 51.00 FEET, (CENTRAL ANGLE OF 41°11'31"), (CHORD BEARING OF N.64°33'56"E.), (CHORD LENGTH OF 35.88 FEET), AN ARC LENGTH OF 36.67 FEET; THENCE N.85°09'42"E., 52.79 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 111.14 FEET, (CENTRAL ANGLE OF 03°23'11"), (CHORD BEARING OF N.83°26'35"E.), (CHORD LENGTH OF 6.57 FEET), AN ARC LENGTH OF 6.57 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 75.00 FEET, (CENTRAL ANGLE OF 06°53'54"), (CHORD BEARING OF S.78°48'02"E.), (CHORD LENGTH OF 9.02 FEET), AN ARC LENGTH OF 9.03 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 112.71 FEET, (CENTRAL ANGLE OF 52°11'39"), (CHORD BEARING OF N.51°19'54"E.), (CHORD LENGTH OF 99.16 FEET), AN ARC LENGTH OF 102.68 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 75.00 FEET, (CENTRAL ANGLE OF 06°37'38"), (CHORD BEARING OF N.00°37'45"E.), (CHORD LENGTH OF 8.67 FEET), AN ARC LENGTH OF 8.68 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 111.80 FEET, (CENTRAL ANGLE OF 09°24'57"), (CHORD BEARING OF N.16°19'44"E.), (CHORD LENGTH OF 18.35 FEET), AN ARC LENGTH OF 18.37 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 173.00 FEET, (CENTRAL ANGLE OF 36°12'24"), (CHORD BEARING OF N.29°37'30"E.), (CHORD LENGTH OF 107.51 FEET), AN ARC LENGTH OF 109.32 FEET; THENCE N.47°43'42"E., 91.97 FEET; THENCE N.55°59'07"E., 115.76 FEET TO THE POINT OF A NON TANGENT CURVE TO THE LEFT; THENCE ALONG SAID CURVE TO THE LEFT HAVING A RADIUS OF 1,534.67 FEET, (CENTRAL ANGLE OF 08°37'10"), (CHORD BEARING OF N.39°16'06"E.), (CHORD LENGTH OF 230.65 FEET), AN ARC LENGTH OF 230.87 FEET TO THE POINT OF A NON TANGENT CURVE TO THE RIGHT; THENCE ALONG SAID CURVE TO THE RIGHT HAVING A RADIUS OF 755.33 FEET, (CENTRAL ANGLE OF 54°51'04"), (CHORD BEARING OF N.62°19'30"E.), (CHORD LENGTH OF 695.81 FEET), AN ARC LENGTH OF 723.11 FEET; THENCE N.89°45'02"E., 183.00 FEET TO THE **POINT OF BEGINNING**.

DESCRIBED PARCEL CONTAINS 58.55 ACRES, MORE OR LESS.

\*THIS IS NOT A SURVEY.  
\*NOT VALID WITHOUT SHEETS 1 THROUGH 2 OF 2.

O:\2019\20192003-034\Surveying\Sketches\Midtown At BRC\Parcel 2 (Tract E-46) Midtown At BRC - S&D.dwg (2) mib May 20, 2024 - 11:06am

	SKETCH AND DESCRIPTION MIDTOWN AT BABCOCK RANCH PARCEL 2 (TRACT E-46) LYING IN SECTION 27, TOWNSHIP 42 SOUTH, RANGE 26 EAST CHARLOTTE COUNTY, FLORIDA				
	JOHNSON ENGINEERING, INC. 2122 JOHNSON STREET FORT MYERS, FLORIDA 33902-1550 PHONE: (239) 334-0046 E.B. #642 & L.B. #642	DATE 05/18/24	PROJECT NO. 20192003-034	FILE NO. 27-42-26	SCALE N/A

Bond Assessments in the approximate amount of \$4,132,318.49 are proposed to be levied on an equal pro-rata gross acre basis based on the planned development of 146 residential units (as outlined in Table 1) within the Midtown Parcel 3 on the land described as follows, which constitutes the Midtown Parcel 3 portion of Phase VII Assessment Area: