

*Lake Lizzie*  
*Community Development District*

*Agenda*

*June 7, 2023*

# AGENDA

*Lake Lizzie*  
*Community Development District*

219 E. Livingston Street, Orlando, FL 32801  
Phone: 407-841-5524 – Fax: 407-839-1526

May 31, 2023

Board of Supervisors  
Lake Lizzie Community  
Development District

Dear Board Members:

The regular meeting of the Board of Supervisors of the Lake Lizzie Community Development District will be held **Wednesday, June 7, 2023, at 12:30 PM at the West Osceola Branch Library, 305 Campus St., Celebration, FL 34747.** Following is the advance agenda for the regular meeting:

**Board of Supervisors Meeting**

1. Roll Call
2. Public Comment Period
3. Approval of Minutes of the May 3, 2023 Board of Supervisors Meeting
4. Financing Matters
  - A. Consideration of Amended and Restated Master Engineer's Report
  - B. Consideration of Supplemental Assessment Methodology Report
  - C. Consideration of Resolution 2023-41 Bond Delegation Resolution
    - i. Schedule I – Parameters
    - ii. Exhibit A: Form of Bond Purchase Agreement
    - iii. Exhibit B: Forms of Master Indenture and First Supplemental Indenture
    - iv. Exhibit C: Form of Preliminary Limited Offering Memorandum
    - v. Exhibit D: Form of Continuing Disclosure Agreement
    - vi. Exhibit E – Form of Amended and Restated Engineer's Report
    - vii. Exhibit F – Form of Supplemental Assessment Methodology
5. Consideration of Authorization for Acquisition of Phase 1 improvements
6. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report
    - i. Balance Sheet & Income Statement
    - ii. Ratification of Funding Requests No. 6 & 7
7. Other Business
8. Supervisors Requests and Audience Comments
9. Adjournment

# MINUTES

**MINUTES OF MEETING  
LAKE LIZZIE  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the Lake Lizzie Community Development District was held Wednesday, **May 3, 2023** at 12:30 p.m. at the West Osceola Branch Library, 305 Campus Street, Celebration, Florida.

Present and constituting a quorum:

Tony Iorio	Chairman
Doug Beasley	Vice Chairman
Rocky Owen	Assistant Secretary
Tom Franklin	Assistant Secretary

Also present were:

Tricia Adams	District Manager, GMS
Michelle Rigoni <i>by phone</i>	District Counsel, Kutak Rock
Alan Scheerer	Field Manager, GMS

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Adams called the meeting to order and called the roll. Four Board members were present constituting a quorum.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

There were no members of the public present for the meeting nor were there any members calling in on the Zoom line.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the April 5, 2023,  
Board of Supervisors Meeting**

Ms. Adams presented the minutes from April 5, 2023 Board of Supervisors meeting from page 5 of the agenda packet. She noted one correction to the April 5, 2023 meeting minutes, which was that George Flint was not present at that meeting. She stated that the meeting minutes were reviewed by District management as well as by District counsel.

On MOTION by Mr. Iorio, seconded by Mr. Beasley, with all in favor, the Minutes of the April 5, 2023 Board of Supervisors Meeting, was approved.

**FOURTH ORDER OF BUSINESS**

**Review of Landscape Services Proposal**

Ms. Adams stated that this item did not require Board action and was for discussion purposes only. She explained that in the course of preparing for the Fiscal Year 2024 budget, their field operations manager had been gathering certain information and they have also been collecting certain information from the project manager as it related to when they anticipate Phase 1 being transmitted to the District and what they expect for the District to be maintaining. They needed that information for budgeting purposes. For the purposes of populating the budget as well as for planning purposes, they did get a proposal from FLS. Alan Scheerer reached out and FLS was selected to provide a proposal because they were the installer and very familiar with the project. She stated that they wanted to draw the Board’s attention to the service area map where they would see that there was a very small area proposed to be maintained by the District. She stated that basically just around the stormwater ponds, there would be mowing around the ponds as well as potential pond maintenance for the District. She noted that they also understood from review of the preliminary plat that the intention was with certain CDD property that the HOA may be maintaining things like shrubbery and trees. She explained that she wanted to get confirmation from the Board that they were in agreeance that this was the area that the CDD would maintain, which was in accordance with the engineer’s report. If there was additional landscape, they would enter into some type of service agreement with the HOA in order to maintain the shrubbery and trees on CDD land. She stated that the total amount of the proposal was \$29,245 and was for 12 months of service.

**FIFTH ORDER OF BUSINESS**

**Consideration of Resolution 2023-40  
Approving the Fiscal Year 2024 Proposed  
Budget and Setting a Public Hearing**

Ms. Adams presented Resolution 2023-40 to the Board. She stated that this resolution was approving the Fiscal Year 2024 proposed budget and setting the public hearing. She explained that when this Board adopted their annual meeting schedule, one of the meeting dates was July 5, 2023. She noted that they were preliminarily planning for bond closing on July 5, 2023, if they can establish that they will have a quorum. She explained that they can close the bond earlier in June

and they can move the budget adoption to the first Wednesday in August. She noted that they also have a meeting scheduled August 2, 2023, which allowed for plenty of time. She wanted to have this discussion in case they need to update the resolution. After brief Board discussion, it was decided to keep the July 5, 2023 budget adoption date and they will preliminarily plan for the bond closing. She reviewed that this resolution approves the proposed budget, sets their public hearing, allows for all the communication to Osceola County and posting of the budget. She noted that this would be a first-time O&M assessment and she didn't see it noted in this resolution. She asked Ms. Rigoni if there was another form of resolution when there is a first-time O&M or was this resolution adequate. Ms. Rigoni responded that it should be the simple one for all types. She also stated that they would provide them with form publish and mailed notices because they would be levying for the first time.

Ms. Adams stated that this was the proposed budget for Fiscal Year 2024, which will begin October 1, 2023 and would end September 30, 2024. The first page of the budget showed the revenue. Their current adopted budget contemplates that the District is 100% developer contributions. For the next fiscal year, they have confirmed that they are going to have both on roll and off roll assessments, so the properties that are platted generally by July 1<sup>st</sup> will be on roll. She noted her understanding from the project manager was that they were planning to record that plat very soon. Mr. Iorio confirmed the date was by the 30<sup>th</sup> of June for the plat to be recorded. He also stated that the plat had been approved and was now in for final executing. Ms. Adams stated that the assessments that were on roll typically pay for a portion of the administration of the District and also pay for 100% of the field expenses. She noted that typically the off-roll assessments that are direct billed to the developer pay a fair share of the operation of the District, just the administration portion since that property does not yet benefit from the field work that will happen. She explained that they did set up the expenses under operation and maintenance based on a 12-month budget. She stated that these expenses would not be realized until the work starts to occur. She also stated that compared to their current adopted budget, not only were there field expenses, which is new, but there is also an increase in the administration of the District. She further explained that was primarily because when the District was established this year, they were already partially through the fiscal year, so the first adopted budget was not for a full 12-month cycle, but it was for a shorter cycle. She reviewed the table at the bottom of page 20 of the agenda package. She noted that this District had not yet issued bonds, but they were planning for the issuance of

bonds. She explained that this would be the amount that the Board sets for their proposed budget and that would be included in the notice to the property owner, which at this time was the developer. They can always come down from that amount at their budget adoption.

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, Resolution 2023-40 Approving the Fiscal Year 2024 Proposed Budget and Setting a Public Hearing, was approved.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Ms. Rigoni had nothing to report to the Board.

**B. Engineer**

Ms. Adams stated that Tony had reached out to Mark Vincutonis at Hanson, Walter & Associates and they will follow up with him regarding the supplemental engineer’s report as it relates to being prepared for the bond issue.

**C. District Manager’s Report**

**i. Balance Sheet & Income Statement**

Ms. Adams stated that this was provided for informational purposes only and no Board action was required.

**ii. Ratification of Funding Requests No. 4 and 5**

Ms. Adams stated that this was the billing in order to operate the District. For the purpose of processing, these have already been signed by the Chairman. They were just looking for a motion to ratify. Those are presented in the agenda package for \$15,633.

On MOTION by Mr. Franklin, seconded by Mr. Owen with all in favor, Funding Requests No. 4 and 5, were ratified.

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being no comments, the next item followed.



**EIGHTH ORDER OF BUSINESS**

**Supervisors Requests and Audience  
Comments**

There being no comments, the next item followed.

**NINTH ORDER OF BUSINESS**

**Adjournment**

On MOTION by Mr. Franklin, seconded by Mr. Owen, with all in favor, the meeting was adjourned.

\_\_\_\_\_  
Secretary/Assistant Secretary

\_\_\_\_\_  
Chairman/Vice Chairman

# SECTION IV

# SECTION A

AMENDED AND RESTATED MASTER ENGINEER'S REPORT  
OF THE  
LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT

PREPARED FOR:

BOARD OF SUPERVISORS  
LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT

ENGINEER:

HANSON, WALTER & ASSOCIATES, INC.  
8 Broadway, Suite 104  
Kissimmee, Florida 34741

November 2, 2022, as updated May 31, 2023

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**

**AMENDED AND RESTATED MASTER ENGINEER'S REPORT**

**1. INTRODUCTION**

The purpose of this report is to provide a description of the master capital improvement plan (“CIP”) and estimated costs of the CIP, for the Lake Lizzie Community Development District (“District”), which will be developed in two (2) phases.

**2. GENERAL SITE DESCRIPTION**

The District encompasses a development known as Trinity Place (“Trinity Place” or “Development”). Trinity Place is a Low Density Residential (LDR) Development established in the Osceola County Comprehensive Plan and all of the Development is served by the District. The Development is located in unincorporated Osceola County, Florida, lying in Sections 3 and 10, Township 26 South and Range 31 east, as more particularly shown in **Exhibit 2.1** of the attached Appendix. The general location of the Development is north of Lake Lizzie Drive and west of Pine Grove Road.

As noted in **Exhibit 2.2**, the District’s boundaries include approximately 72.18 acres of land located in Osceola County, Florida (“County”).

**3. PROPOSED MASTER CAPITAL IMPROVEMENT PLAN PURPOSE AND SCOPE OF THE REPORT**

The purpose of this report is to provide a description of the CIP to be financed, constructed and/or acquired by the District, and to provide an estimated apportionment of the categories of costs for the CIP. A corresponding assessment methodology will be developed by the District’s methodology consultant. The CIP is intended to provide master public infrastructure improvements for the lands within the District, which are planned for 311 residential units.

The proposed site plan for the District is attached to this report as **Exhibit 3.1**, and the plan enumerates the proposed lot count for the District. The following charts show the planned product types and land uses for the District:

**TABLE 3.1  
LAND USE SUMMARY**

Type of Use	Total Project Area +/-	Phase 1	Phase 2
Residential*	56.09	35.11	20.98
Open Space**	16.09	16.09	0
Total Area	72.18	51.20	20.98
% of Total Area	100%	71%	29%

\* Per the County’s Land Development Code, residential developments are required to provide a minimum of 20% open space which may include wetlands, stormwater ponds, recreation areas or green spaces.

\*\* Open Space represents land areas that will contain recreation and other uses in accordance with the County’s Land Development Code.

**TABLE 3.2  
PRODUCT TYPE SUMMARY**

Type of Use	Phase 1	Phase 2	Total
Single Family 50’ or greater lot width	141	118	259
Single Family less than 50’ lot width	52	0	52
<b>Total</b>	193	118	311

The CIP infrastructure includes the following Master Infrastructure, which is intended to serve all lands in the District:

**Roadway Improvements:**

The CIP includes off-site framework and local road improvements adjacent to the District boundary. Framework roads shall include Multi-Modal roadways, Boulevards and Avenues as defined in the Osceola County Comprehensive Plan Map Series TRN Maps. Pine Grove Road is depicted as a Boulevard in the TRN Map Series and will service the District. The responsibility for improving the framework roads is limited to the ownership limits of the District. Roadways will consist of a half section 2-lane improvement as an interim design that will be expanded in the future by adjacent developments or by the County or the City of St. Cloud (“City”) to provide a final cross section of a 2-lane divided corridor. The framework road includes the roadway asphalt, base, and subgrade, roadway curb and gutter, inlets, culverts, striping and signage landscaping and sidewalks within rights-of-way. All roads will be designed in accordance with FDOT and County standards.

The District will also have to construct an off-site safety improvement at the intersection of Pine Grove Road (Boulevard Framework Road) and Lake Lizzie Road adding a dedicated left turn lane for north bound to west bound turning movements.

Internal roadways will be financed by the District, and will be dedicated to the County for ownership, operation, and maintenance. Internal Alleys will be funded by the District and retained in ownership and maintenance responsibility.

Impact fee credits may be available in the form of mobility fee credits based upon a negotiated mobility fee agreement with the County. If the property is annexed into the City, the impact fee credits would have to be negotiated with the City in an Annexation Agreement. The County currently provides for credits for all improvements and land dedication that exceeds the specific needs of the project. To the extent the District funds improvements which generate impact fee credits or mobility fee credits, the District shall receive the credits and can then sell or transfer such credits as allowed by law.

### **Stormwater Management System:**

The District is located within the South Florida Water Management District (“**SFWMD**”) Alligator Lake basin. Conveyances to Alligator Lake will be via a County maintained ditch that outfalls via US 192 to Alligator Lake. The existing drainage conditions are depicted in **Exhibit 2.4** of the Appendix.

The stormwater collection and outfall system are a combination of roadway curbs, curb inlets, pipes, control structures and open lakes designed to treat and attenuate stormwater runoff from District lands. The stormwater system within the project discharges to Alligator Lake via an existing ditch system that conveys runoff from the Development across Lake Lizzie Road into an FDOT ditch system that continues along US 192 to Alligator Lake. The stormwater system will be designed consistent with the criteria established by SFWMD and the County for stormwater/floodplain management systems. The District will finance, construct and/or acquire, own, operate and maintain the stormwater system, with the exception that the County will own, operate, and maintain the inlets and storm sewer systems within County rights-of-way. The County and FDOT will be responsible for maintenance of the off-site ditch system.

NOTE: Construction of the master stormwater ponds will result in excess spoil material. The Developer is allowing the District to dispose of the excess spoil material within the project area instead of paying the additional cost of hauling and securing an off-site location to accept the excess spoil material. Spreading of the spoil material includes industry standard erosion control measures. Spreading of the spoil material does not include compaction or mass grading of the project area.

No private earthwork is included in the CIP. Accordingly, the District will not fund any costs of mass grading of lots.

### **Water, Wastewater and Reclaim Utilities:**

The District is within the City Joint Planning Area and Tohopekaliga Water Authority (“**Toho**”) Utility Service Area. Toho will provide potable water, wastewater disposal and reclaimed water services to the Development. Capacity for these utilities is available from Toho. Existing utilities are shown in **Exhibit 2.3** of the Appendix.

A water plant owned and operated by Toho located on Kissimmee Park Road in the City will service the property. Potable water connections will be made from water mains in Nova Road. A 16” water main currently exists within the Nova Road right of way. Proposed mains will be extended east through an easement on the School District of Osceola County’s property to the Development. The on-site water supply improvements include water mains that will be located within rights-of-way and used for potable water service and fire protection.

Wastewater from the Development will be collected in gravity sewer mains that will be serviced by a lift station just north of the property that will pump the wastewater into a force main that will connect into an existing force main in Nova Road. This force main is serviced by the Southside Wastewater Treatment Plant owned by Toho.

Wastewater improvements for the District will include an onsite 8” diameter gravity collection system, offsite force mains and a shared off-site lift station. The offsite force main connection will be made at Nova Road.

Reclaimed water will be secured from Toho. The Development will be serviced through a connection to the existing main in Nova Road and the extension of the main to the Development through an existing easement on the School Board of Osceola County's property that is immediately northwest of the Development.

The reclaim water distribution system will be constructed to provide service for irrigation throughout the Development and will consist of varying main sizes dependent on demand.

The water and reclaim distribution and wastewater collection systems for all phases will be completed by the District and then dedicated to Toho for ownership, operation, and maintenance. All mains will be designed and constructed in compliance with the City and the Florida Department of Environmental Protection ("**FDEP**") Standards. Note: City utilities have been acquired by Toho as of October 1, 2022.

The project will require extension of existing off-site mains to the site, in addition to creating looped connections of mains on site that will both serve the proposed Development and provide for expansion of the Toho infrastructure to service future developments. Mains or improvements that are increased in size to service the Development above the specific needs of the District will be eligible for impact fee credits via an upside agreement with Toho. To the extent the District funds improvements which generate impact fee credits, the District shall receive the credits and can sell or transfer such credits as allowed by law. Distribution of the impact fee credits received may be handled pursuant to separate agreements between the District, the City and Hanover Tyson, LLC ("**Developer**").

**Hardscape, Landscape, and Irrigation:**

The District will finance, construct and/or acquire landscaping, irrigation and hardscaping within District common areas and rights-of-way. Landscaping will consist of sod, shrubs, ground cover, trees and plants. The irrigation system will consist of spray and rotating heads providing irrigation coverage to the landscaped areas. Moreover, hardscaping will consist of entry features, benches, trashcans, accent pavement, etc. Existing vegetation will be utilized wherever possible.

The County has distinct design criteria requirements for planting and irrigation design. Therefore, the Development will at a minimum meet those requirements but, in most cases, exceed the requirements with enhancements for the benefit of the community.

All such landscaping, irrigation and hardscaping will be owned, maintained, and funded by the District. Such infrastructure, to the extent that it is in rights-of-way owned by the County will be maintained pursuant to a right-of-way agreement to be entered into with the County. Individual neighborhood HOA's may enter into an agreement with the District for the purpose of maintaining entry features, to include but not necessarily be limited to signage, landscape, accent lighting, hardscape, and irrigation.

**Street Lights / Undergrounding of Electrical Utility Lines**

The District intends to lease street lights through an agreement with Orlando Utility Commission (OUC) in which case the District would fund the street lights through an annual operations and maintenance assessment. As such, street lights are not included as part of the CIP.



The CIP does however include the undergrounding of electrical utility lines within right-of-way utility easements throughout the Development. Any lines and transformers located in such areas would be owned by OUC and not paid for by the District as part of the CIP.

**Recreational Amenities:**

As part of the CIP, the District may finance, construct or acquire an amenity park within a proposed open space/recreation tract. The District will finance amenities, parks and other common areas for the benefit of the District. These improvements may be funded, owned, and maintained by the District, or alternatively may be funded by the Developer and turned over to a homeowners' association for ownership, operation, and maintenance.

**Professional Services**

The CIP also includes various fees for professional services. These include: (i) engineering, surveying, architectural and legal fees, (ii) permitting and plan review costs, and (iii) development/construction management services fees that are required for the design, permitting, construction, acquisition or conveyance of the CIP.

**Off-Site Improvements**

Currently offsite utility improvements are limited to utility main extensions and looping to bring potable water, reclaimed water and wastewater to the Development and to provide a looped connection of the water main and reuse main to the Toho water system in Pine Grove Road. The mains would be eligible for impact fee credits for upsizing and the water main extension. To the extent the District funds improvements which generate impact fee credits, the District shall receive the credits and can then sell or transfer such credits as allowed by law.

The only offsite road improvements that are currently contemplated would be a portion of Pine Grove Road and Lake Lizzie Drive. Pine Grove Road off-site improvements are eligible for mobility fee credits by the County. To the extent the District funds improvements which generate mobility fee credits, the District shall receive the credits and then can sell or transfer such credits as allowed by law. In addition, all framework roads that are constructed above and beyond the needs of the Development would be eligible for mobility fee credits. This process is a negotiation with staff and will require the preparation of a mobility fee agreement to be approved by the Osceola County Board of County Commissioners.

As noted, the District's CIP functions as a system of improvements benefitting all lands within the District.

All the foregoing improvements are required by applicable development approvals. Note that, except as stated herein, there are no impact fee or similar credits available from the construction of any such improvements.

The following table, Table 3.3, shows who will finance, own and operate/maintain the various improvements of the CIP:

**TABLE 3.3**

<b>Description</b>	<b>Ownership</b>	<b>Capital Financing*</b>	<b>Maintenance Entity</b>
Stormwater Management Facilities	District	District	District
Potable Water System	Toho	District	Toho
Reclaimed Water System	Toho	District	Toho
Lift Stations & Sanitary Sewer System	Toho	District	Toho
Roadway Construction	Osceola County	District	Osceola County
Offsite Roadway Improvements**	Osceola County	District	Osceola County
Offsite Utility Improvements	Toho	District	Toho
Common Area Landscape, Hardscape & Irrigation***	District	District	District or HOA****
* Developer may contribute toward development costs ** Offsite Roadway improvements are to Pine Grove Road and Lake Lizzie Road *** Common Area includes: Parks, recreation, open space, conservation areas, buffers, etc. **** If HOA, pursuant to a maintenance agreement with the District			

**4. PERMITTING/CONSTRUCTION COMMENCEMENT**

All necessary permits for the construction of the CIP have been or will be obtained in the normal course by the Developer or the District prior to commencing construction, and include the following (as needed):

- SFWMD Environmental Resource Permit (Individual)
- SFWMD Consumptive Use Permit
- USACOE SAJ 90
- USFWS
- Osceola County Site Development Plan (SDP)
- FDEP NPDES
- City Utility Construction Permits.
- FDEP Potable Water
- FDEP Wastewater

**5. OPINION OF PROBABLE CONSTRUCTION COSTS**

Table 5.1 shown below presents, among other things, the Opinion of Probable Cost for the CIP. It is our professional opinion that the estimated costs set forth in Table 5.1 are both reasonable and consistent with market pricing for the CIP.

**TABLE 5.1**

<u>Facility Description</u>	<u>Phase 1 CIP Costs</u>	<u>Phase 2 CIP Costs</u>	<u>Total Project</u>
Roadways	\$3,063,000	\$ 534,000	\$3,597,000
Stormwater Management	\$3,750,000	\$ 590,000	\$4,340,000
Utilities (Water, Sewer, Reclaim)	\$4,372,000	\$1,100,000	\$5,472,000
Hardscape/Landscape/Irrigation/Trails	\$ 343,000	\$ 240,000	\$ 583,000
Undergrounding of Conduit	\$ 456,000	\$ 320,000	\$ 776,000
Environmental Conservation/Mitigation	\$ 428,000	\$ 0	\$ 428,000
Professional Services	\$ 500,000	\$ 280,000	\$ 780,000
Contingency (15%)	<u>\$1,936,800</u>	<u>\$ 459,600</u>	<u>\$2,396,400</u>
<b>TOTAL</b>	<b>\$14,848,800</b>	<b>\$3,523,600</b>	<b>\$18,372,400</b>

\* The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated District expenditures that may be incurred.

The CIP will be designed in accordance with current governmental regulations and requirements. The CIP will serve its intended function so long as the construction is in substantial compliance with the design.

The cost estimates provided are reasonable to complete the required improvements and it is our professional opinion that the infrastructure improvements comprising the CIP will serve as a system of improvements that benefit and add value to all lands within the District. The cost estimates are based on prices currently being experienced in the County and FDOT Basis of Estimates Cost Area 7. Actual costs may vary depending on final engineering and approvals from regulatory agencies as well as other economic factors. It is further our opinion that the improvement plan is feasible, that there are no technical reasons existing at this time that would prevent the implementation of the CIP, and that it is reasonable to assume that all necessary regulatory approvals will be obtained in due course.

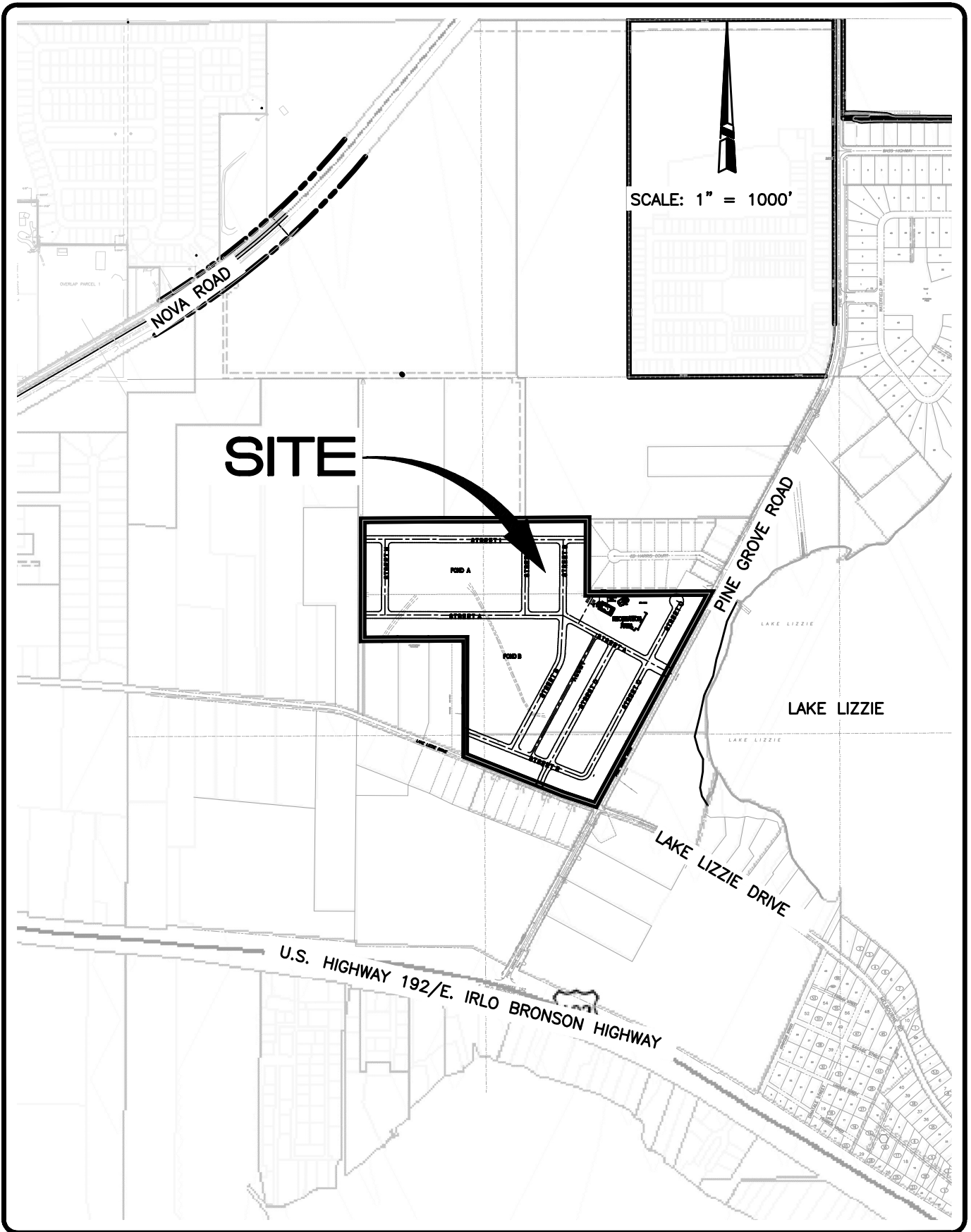
In sum, it is our opinion that: (1) the estimated cost of the CIP set forth herein to be paid by the District is not greater than the lesser of the actual cost or fair market value of such infrastructure; (2) that the CIP is feasible; and (3) that the assessable property within the District will receive a special benefit from the CIP that is at least equal to such costs.

Please note that the CIP as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the CIP, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned 193 residential units in Phase 1 and 118 residential units in Phase 2 for a total of 311 residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and this report may be supplemented or amended to reflect the same, and the District expressly reserves the right to do so.

## APPENDIX

**Appendix  
Table of Contents**

<b>Exhibit 2.1</b>	<b>Location Map</b>
<b>Exhibit 2.2</b>	<b>District Boundaries</b>
<b>Exhibit 2.3</b>	<b>Existing Utilities</b>
<b>Exhibit 2.4</b>	<b>Existing Drainage Map</b>
<b>Exhibit 3.1</b>	<b>Proposed Site Plan</b>



I:\5390\ENGINEERING\CADD\PLANS\EXHIBITS\S-5390 LOCATION MAP BLACK AND WHITE 7-27-22.dwg \* Jul 27, 2022-2:41pm \* plotted by ADonato



8 BROADWAY AVENUE, SUITE 104, FLORIDA 34741-5481  
 PHONE: (407) 847-9433 FAX: (407) 847-2499  
 ENG. CERT. OF AUTHOR. No. 3265/SUR. CERT. OF AUTHOR. No. 3270  
 ENGINEERING, SURVEYING AND PLANNING



**HANSON, WALTER & ASSOCIATES, INC.**

# LAKE LIZZIE CDD

## LOCATION MAP

DATE 07/27/2022

SHEET 1 OF 1

## LEGAL DESCRIPTION:

PER CHICAGO TITLE INSURANCE COMPANY TITLE COMMITMENT  
FILE No. 20200389, DATED JULY 29, 2020 AT 5:00PM

### PARCEL:

From the Northwest corner of the Southwest 1/4 of Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run N89°68'40"E, along the North line of said Southwest 1/4, 1740.00 feet; run thence South, parallel to the West line of said Southwest 1/4, 1048.61 feet to the Point of Beginning; continue South, 550.00 feet; run thence N89°38'40"E, 1660.00 feet; run thence North, parallel to the West line of said Southwest 1/4, 550.00 feet; run thence S89°38'40"W, 1660.00 feet to the Point of Beginning.

### TOGETHER WITH:

From the Northwest corner of the Southwest 1/4 of Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run N89°38'40"E, along the North line of said Southwest 1/4, 1740.0 feet; run thence South, parallel to the West line of said Southwest 1/4, 1598.61 feet to the Point of Beginning; continue South, 330.0 feet, run thence N89°38'40"E, 660.0 feet; run thence South 822.26 feet to a point 25.0 feet off the centerline of Old Kissimmee-Melbourne Road; run thence S68°38'10"E, parallel to the centerline of said road, 878.57 feet, run thence S71°25'51"E, parallel to said centerline, 255.21 feet; run thence N28°16'35"E along the Westerly Right of Way line of State Road 534-A, 1778.4 feet; run thence S89°38'40"W, 2563.40 feet to the Point of Beginning, being in Sections 3 and 10, Township 26 South, Range 31 East, Osceola County, Florida; LESS AND EXCEPT: from the Northwest corner of the Southwest 1/4 of Section 3, run N89°38'40"E, along the North line of said Southwest 1/4, 170.0 feet; run thence South, parallel to the West line of said Southwest 1/4, 1928.61 feet; run thence N89°38'40"E, 660.0 feet to the Point of Beginning; continue N89°38'40"E, 100.0 feet; run thence South, 862.0 feet to the North Right of Way line of the Old Kissimmee-Melbourne Road; run thence N68°38'10"W, 107.38 feet along said Right of Way; run thence North, 822.26 feet to the Point of Beginning.

Total Area is 72.18 AC.



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# HWA

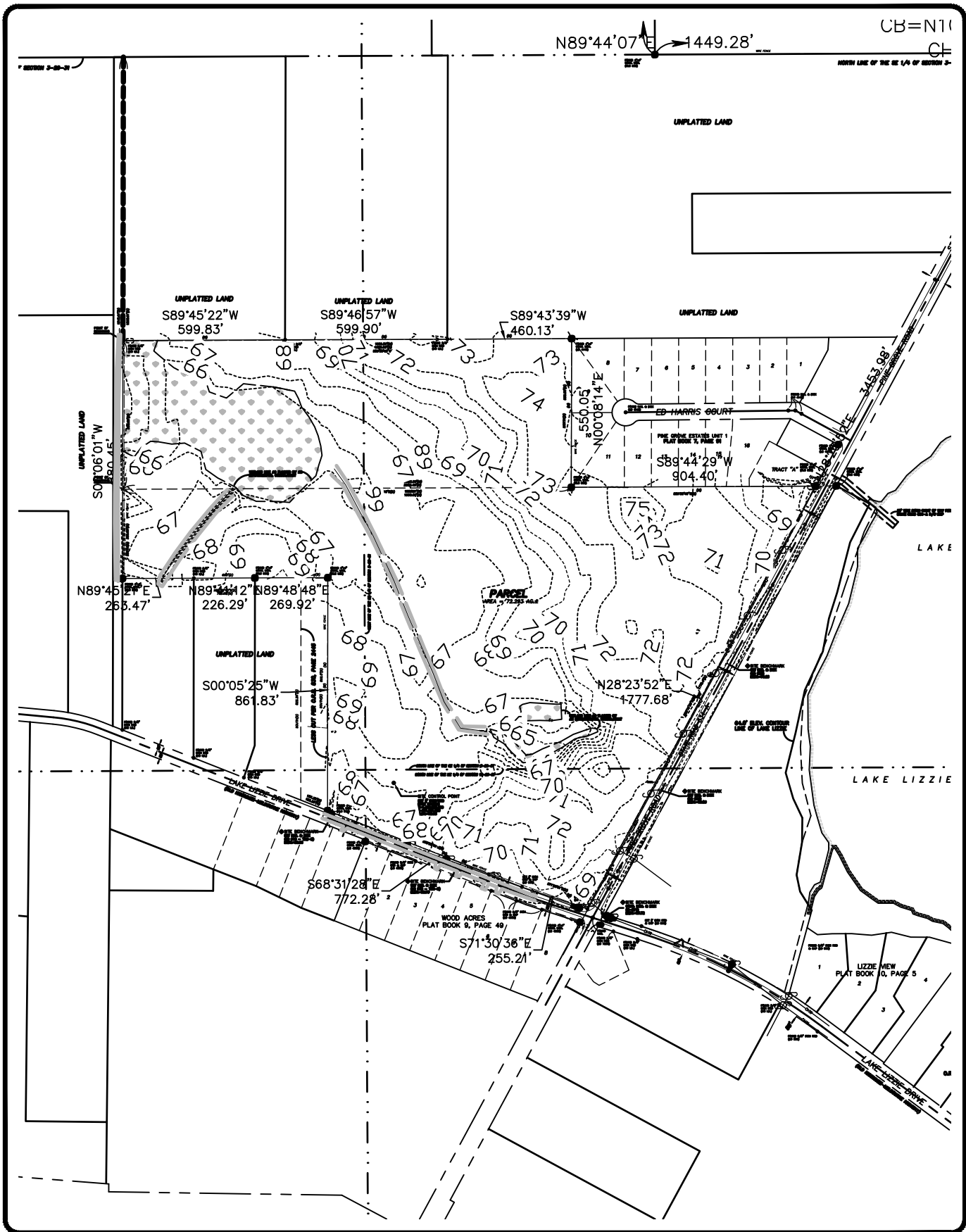
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## LAKE LIZZIE CDD

### LEGAL DESCRIPTION

DATE 03/24/2022

SHEET 1 OF 2



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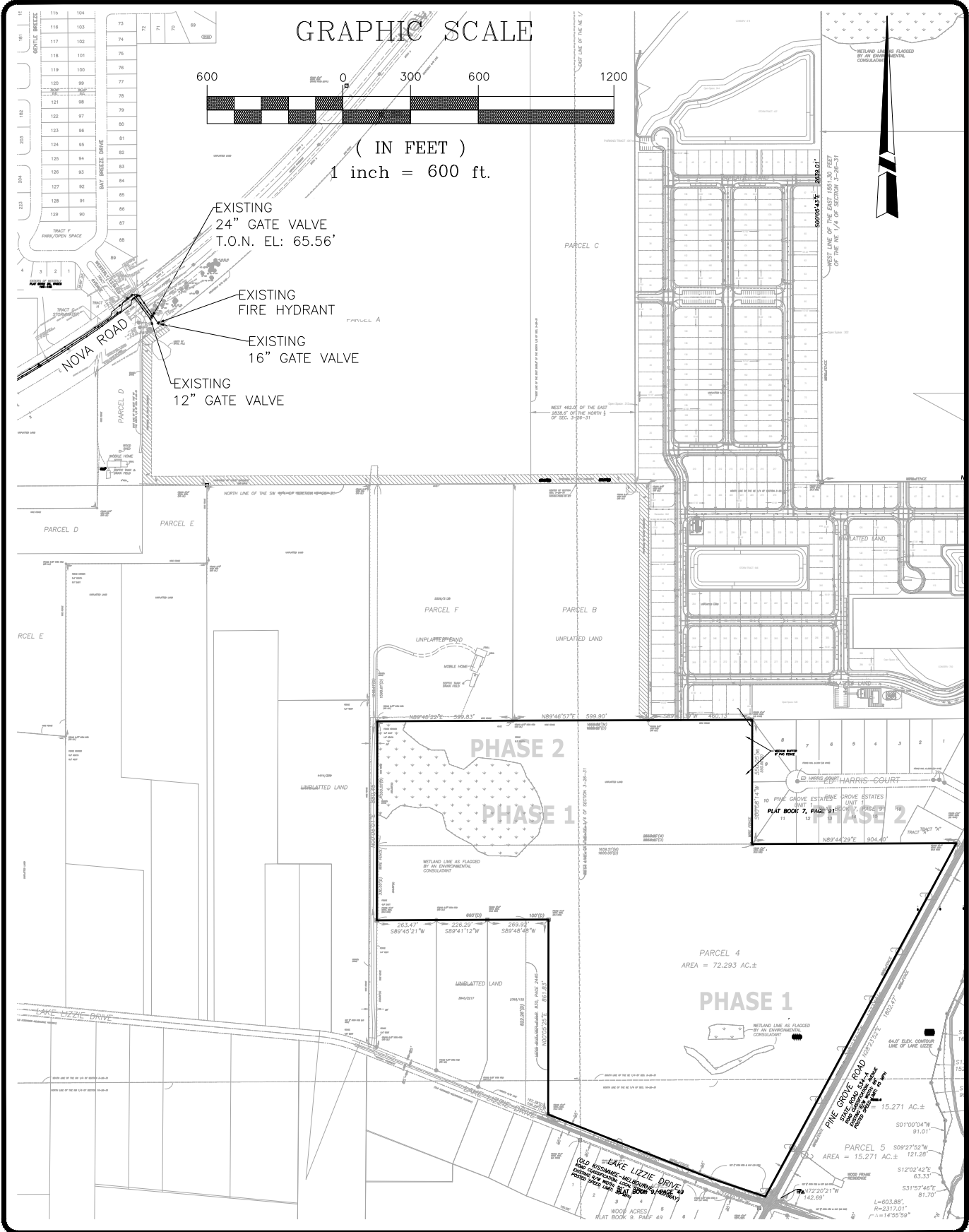
# LAKE LIZZIE CDD

## BOUNDARY SURVEY

DATE 03/24/2024

SHEET 2 OF 2





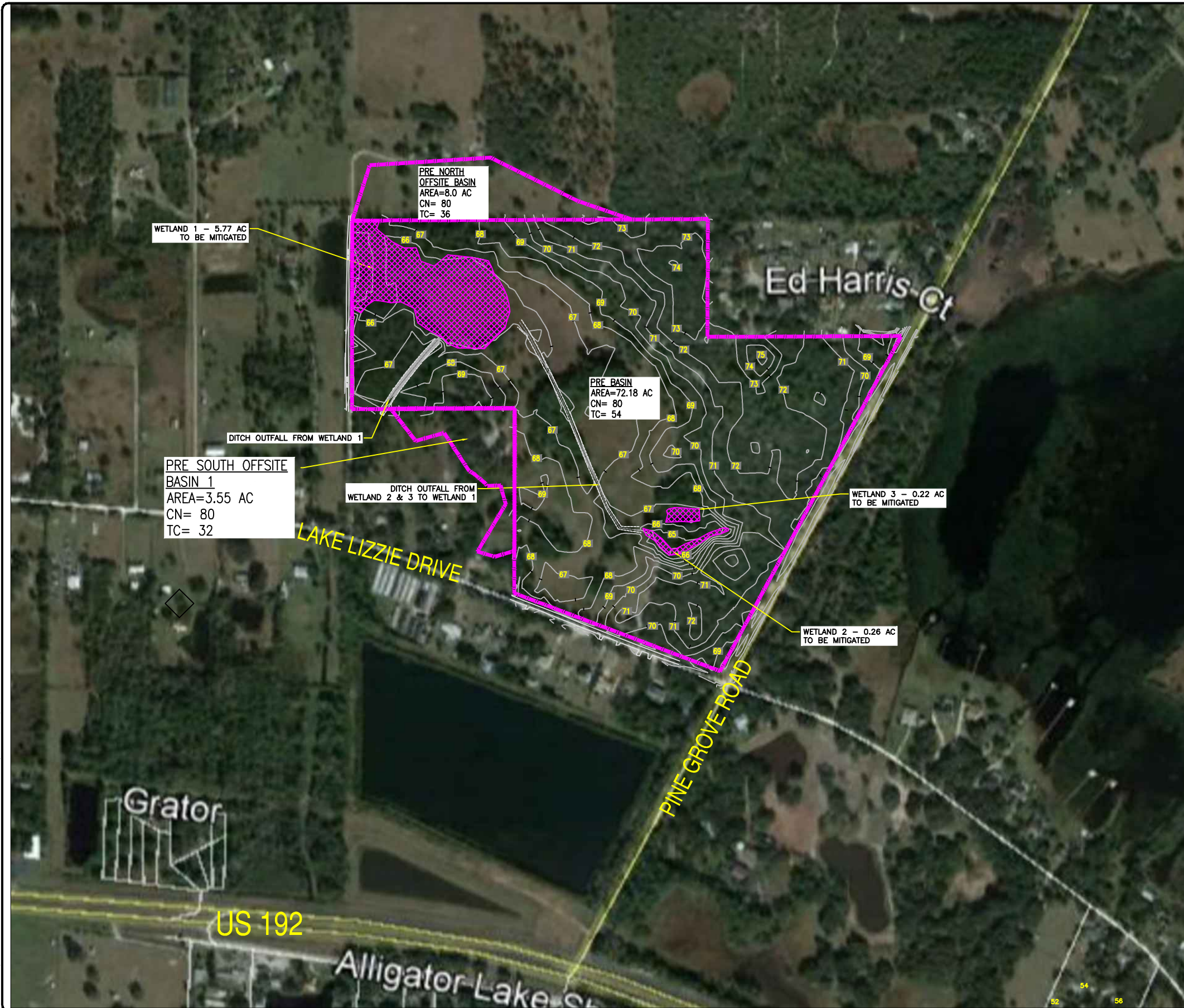
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**LAKE LIZZIE CDD**  
**EXISTING UTILITIES CONNECTION**  
 DATE 03/24/2022 SHEET 1 OF 1



- NODES**  
 A = STAGE/AREA  
 V = STAGE/VOLUME  
 T = TIME/STAGE  
 M = MANHOLE

- BASINS**  
 O = OVERLAND FLOW  
 U = SCS UNIT CN  
 S = SBUH CN  
 Y = SCS UNIT GA  
 Z = SBUH GA

T: BNDRY
U: PRE BASIN
U: PRE NORTH OFFSITE BASIN
U: PRE SOUTH OFFSITE BASIN

- LINKS**  
 P = PIPE  
 W = WEIR  
 C = CHANNEL  
 D = DROP STRUCTURE  
 B = BRIDGE  
 R = RATING CURVE  
 H = BREACH  
 E = PERCOLATION  
 F = FILTER  
 X = EXFIL TRENCH

**PRE BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	65.93	or	2871773	or	91.34
Impervious	0.00	or	0	or	0.00
Wetlands	6.25	or	272387	or	8.66
<b>TOTAL</b>	<b>72.18</b>		<b>3,144,160</b>		<b>100</b>

**PRE NORTH OFFSITE BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	8.00	or	348480	or	100.00
Impervious	0.00	or	0	or	0.00
Wetlands	0.00	or	0	or	0.00
<b>TOTAL</b>	<b>8.00</b>		<b>348,480</b>		<b>100</b>

**PRE SOUTH BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	3.55	or	154657	or	100.00
Impervious	0.00	or	0	or	0.00
Wetlands	0.00	or	0	or	0.00
<b>TOTAL</b>	<b>3.55</b>		<b>154,657</b>		<b>100</b>



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




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LAKE LIZZIE DRIVE SUBDIVISION

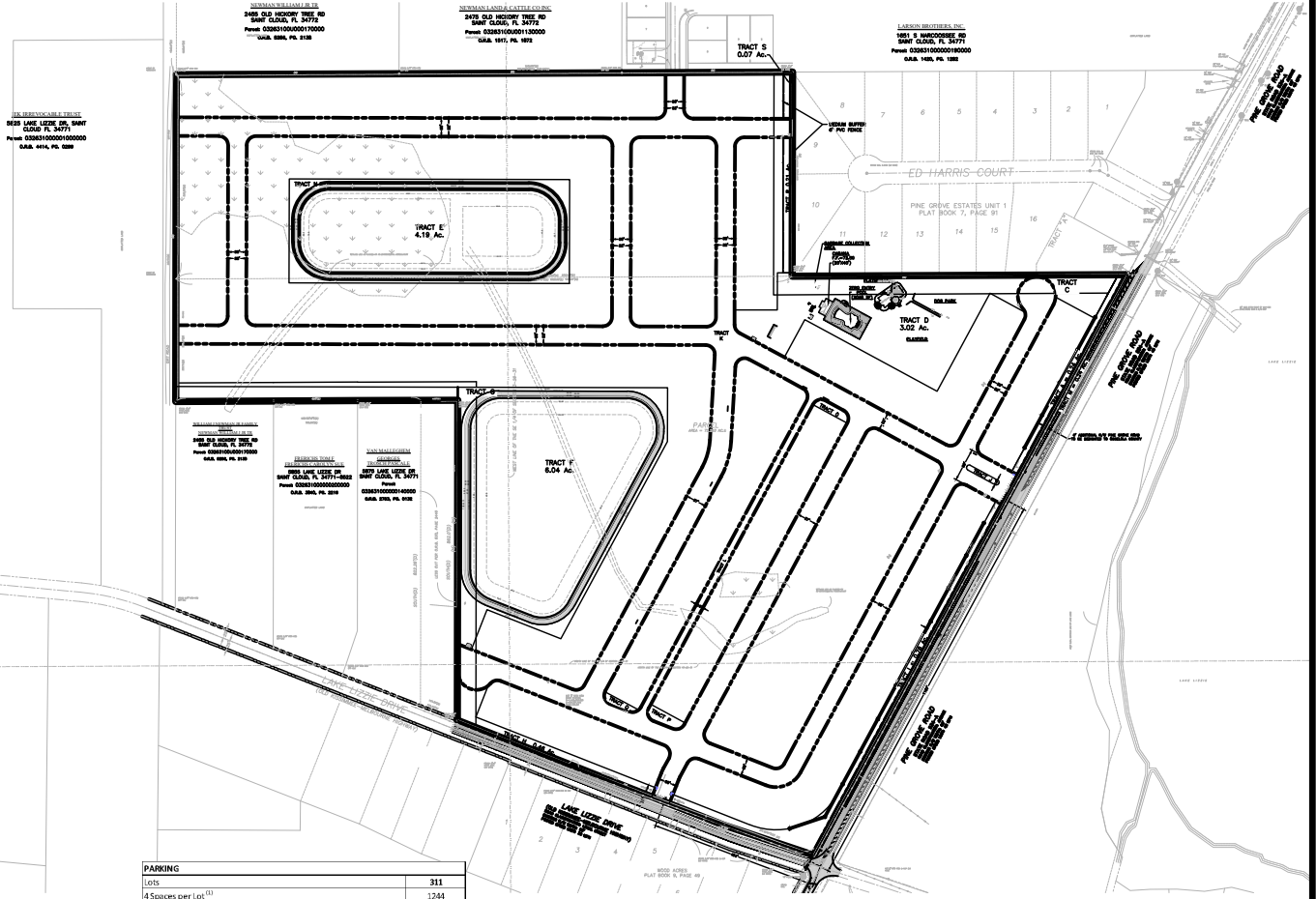
PRE-DEVELOPMENT  
BASIN MAP

SHEET No.  
 1 of 1  
 JOB No. 5390

**Legend**

-  JURISDICTIONAL WETLAND (TO BE MITIGATED)
-  EXISTING PAVEMENT FOR LAKE LIZZIE RD. & PINE GROVE RD.
-  PROPOSED PAVEMENT FOR INTERNAL ROAD
-  PROPOSED CONCRETE
-  (X) NUMBER OF PARKING SPACES

TRACT	ACREAGE	PLANNED USE	OWNERSHIP & MAINTENANCE
TRACT A	0.24 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT C	0.32 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT D	3.02 AC	RECREATIONAL AREA	HOMEOWNERS ASSOC.
TRACT E	4.19 AC	OPEN SPACE/WATER MANAGEMENT/LANDSCAPE	HOMEOWNERS ASSOC.
TRACT F	6.04 AC	OPEN SPACE/WATER MANAGEMENT/LANDSCAPE	HOMEOWNERS ASSOC.
TRACT G	1.48 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT H	0.46 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT I	0.76 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT J	0.03 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT K	12.41 AC	PUBLIC ROADWAY (STREET A - STREET H)	OSCEOLA COUNTY
TRACT L	0.46 AC	PRIVATE (ALLEY)	PRIVATE
TRACT M	0.24 AC	DEDICATED R/W AREA	HOMEOWNERS ASSOC.
TRACT N	0.86 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT O	0.06 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT P	0.07 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT Q	0.04 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT R	0.21 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT S	0.07 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.



PARKING	
Lots	311
4 Spaces per Lot <sup>(1)</sup>	1244
1 Space for every 2 Dwelling Units <sup>(2)</sup>	155.5
<b>Total Parking (Required)</b>	<b>1400</b>
<b>Provided</b>	
Parking per Front Dwelling (246) (2 Car Garage + 2 Car Driveway)	984
Parking per Rear Load Dwelling (52) (2 Car Garage + 2 Car Driveway)	208
Parking per Side Load Dwelling (13) (2 Car Driveway)	52
On-Street Parking and Parking Lot	136
<b>Total Parking Provided</b>	<b>1400</b>

- 1) Parking Requirement based upon LDC 4.7.B
- 2) Parking Requirement based upon LDC 4.6.1.B

SITE TABULATION FOR PHASE 1	
Project Area (Total)	72,293
Lots (Phase 1)	183

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (sq)
Tract D - Recreation (Total Cabana and Pool)	3.02	1:1 ratio (Open Space Area)	3.02
Adjusted Recreation Credit (Building Amenity) (Play Structure)	3,600 sq ft	1 acre for 5,000 of Building Amenity	0.72
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	6,000 sq ft	1 acre for 25,000 of Non-Building Amenity	0.24
Adjusted Recreation Credit (Multi-Sports Field)	13,500 sq ft	1 acre for 25,000 of Non-Building Amenity	0.54
Tract ESR - Stormwater Pond	6.04	25% of pond	1.51
<b>Total Recreation Provided</b>			<b>5.99</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			3.36

SITE TABULATION FOR PHASE 2	
Project Area (Total)	72,293
Lots (Phase 2)	118

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (sq)
Tract D - Recreation (Total Cabana and Pool Area)	0.19	1:1 ratio (Open Space Area)	0.09
Adjusted Recreation Credit (Building Amenity) (Play Structure)	3,180 sq ft	1 acre for 5,000 of Building Amenity	0.64
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	0.16	1 acre for 25,000 of Non-Building Amenity	0.06
Adjusted Recreation Credit (Multi-Sports Field)	0.16	1 acre for 25,000 of Non-Building Amenity	0.06
Tract ESR - Stormwater Pond	6.19	25% of pond	1.55
<b>Total Recreation Provided</b>			<b>2.36</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			1.36

SITELABULATION	
Project Area	72,293
Lots	311

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (sq)
Tract D - Recreation Tract	3.02	1:1 ratio (Open Space Area)	3.02
Adjusted Recreation Credit (Building Amenity) (Play Structure)	13,780 sq ft	1 acre for 5,000 of Building Amenity	2.76
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	6,000 sq ft	1 acre for 25,000 of Non-Building Amenity	0.24
Adjusted Recreation Credit (Non-Building Amenity)	13,500 sq ft	1 acre for 25,000 of Non-Building Amenity	0.54
Tract ESR - Stormwater Pond	10.29	25% of pond	2.56
<b>Total Recreation Provided</b>			<b>8.00</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			6.22
Additional Area of Recreation Above Requirement (LDC 4.10.2 A.6)		2:1 ratio towards open space	1.79

OPEN SPACE CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (sq)
Tract A - Open Space/Landscape Area	0.24	1:1 ratio	0.24
Tract C - Open Space/Landscape Area	0.32	1:1 ratio	0.32
Tract D - Recreational Area	3.02	1:1 ratio	3.02
Tract E - Open Space/Water Management/Landscape	4.19	1:1 ratio or OWE (Up to 50% Total Open Space)	2.10
Tract F - Open Space/Water Management/Landscape	6.04	1:1 ratio or OWE (Up to 50% Total Open Space)	3.02
Tract G - Open Space/Landscape Area	1.48	1:1 ratio	1.48
Tract H - Open Space/Landscape Area	0.46	1:1 ratio	0.46
Tract I - Open Space/Landscape Area	0.76	1:1 ratio	0.76
Tract J - Open Space/Landscape Area	0.03	1:1 ratio	0.03
Tract K - Public Roadway (Street A - Street H)	12.41	1:1 ratio	12.41
Tract L - Private (Alley)	0.46	1:1 ratio	0.46
Tract M - Dedicated R/W Area	0.24	1:1 ratio	0.24
Tract N - Open Space/Landscape Area	0.86	1:1 ratio	0.86
Tract O - Open Space/Landscape Area	0.06	1:1 ratio	0.06
Tract P - Open Space/Landscape Area	0.07	1:1 ratio	0.07
Tract Q - Open Space/Landscape Area	0.04	1:1 ratio	0.04
Tract R - Open Space/Landscape Area	0.21	1:1 ratio	0.21
Tract S - Open Space/Landscape Area	0.07	1:1 ratio	0.07
Note: Tract L, M Area not included in Open Space			
Excess Recreational Space	1.70	2:1 ratio	0.55
<b>Total Open Space Provided</b>			<b>18.09</b>
Open Space Required per LDC 4.10.1 (100% of Project Area)			14.46

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**TRINITY PLACE CDD**  
**OVERALL SITE PLAN EXHIBIT**  
 DATE 03/24/2022 SHEET 1 OF 1

I:\5390\ENGINEERING\CADD\PLANS\EXHIBITS\S-5390\_OA SITE PLAN EXHIBIT.dwg \* Mar 24, 2022-3:01pm \* plotted by RSouser

# SECTION B

**PRELIMINARY FIRST SUPPLEMENTAL  
ASSESSMENT METHODOLOGY  
FOR THE  
SERIES 2023 BONDS**

**LAKE LIZZIE  
COMMUNITY DEVELOPMENT DISTRICT**

**DRAFT**

**Date: June 7, 2023**

**Prepared by**

**Governmental Management Services - Central Florida, LLC  
219 E. Livingston Street  
Orlando, FL 32801**



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## **1.0 Introduction**

The Lake Lizzie Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes, as amended (the “District”). The District plans to issue approximately \$3,430,000 of tax exempt bonds (the “Series 2023 Bonds” or “Bonds”) for the purpose of financing certain infrastructure improvements within the District, more specifically described in the Amended & Restated Master Engineer’s Report dated November 2, 2022, as updated May 31, 2023, prepared by Hanson, Walter & Associates, Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”).

### **1.1 Purpose**

This First Supplemental Assessment Methodology Report (the “Supplemental Assessment Report”) supplements the Master Assessment Methodology dated November 2, 2022 (the “Master Report” and together with the Supplemental Assessment Report, the “Assessment Report”), and provides for an assessment methodology for allocating the debt assessments to properties within the District based on the special benefits each receives from the District’s capital improvement plan (“CIP”) relating to Phase One as further described in the Engineer’s Report (herein the “2023 Project”). The Assessment Report is designed to conform to the requirements of Chapters 190, 197 and 170, Florida Statutes with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to collect non ad valorem special assessments on the benefited lands within the District securing repayment of the Series 2023 Bonds based on this Supplemental Assessment Report. It is anticipated that all of the proposed debt special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes or any other legal means of collection available to the District. It is not the intent of this Supplemental Assessment Report to address any other assessments, if applicable, that may be levied by the District, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 72.18 acres within unincorporated Osceola County, Florida. The development program for Phase One currently envisions approximately 193 residential units (herein the “2023 Project Area”), which represents a portion of the planned development within the District (the “Development”). It is recognized that such land use plan may change, and this Supplemental Assessment Report will be modified accordingly. As of the date of this Supplemental Assessment Report, all 193 units in Phase One are platted, with the remainder of the District remaining unplatted at this time.

The public improvements contemplated by the District in the 2023 Project will provide facilities that benefit certain property within the District. The 2023 Project is delineated in the Engineer's Report, which includes, but is not limited to, the construction and/or acquisition of certain roadways (onsite & offsite), stormwater management, utilities (water, sewer and reclaim facilities and including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency (collectively, "CIP"). The 2023 Project estimated acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the 2023 Project.
2. The District Engineer determines the assessable acres that benefit from the 2023 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the 2023 Project.
4. This amount is initially divided equally among the benefited properties on a prorated gross acreage basis. Ultimately, as land is platted, site planned, or subjected to a declaration of condominiums, this amount will be assigned to each of the benefited properties based on an ERU basis.

### **1.3 Special Benefits and General Benefits**

Improvements undertaken by the District create special and peculiar benefits to the assessable property, different in kind and degree than general benefits, for properties outside its borders as well as general benefits to the public at large.

However, as discussed within this Supplemental Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to the assessable property within the District. The implementation of the 2023 Project enables certain properties within its boundaries to be developed. Without the 2023 Project, there would be no infrastructure to support development of land within the District. Without these improvements, the proposed Development of the property within the District would be prohibited by law.

There is no doubt that the general public and property owners outside the District will benefit from the provision of the 2023 Project. However, these benefits will be incidental to the 2023 Project, which is designed solely to meet the needs of property within the District. Properties outside the District boundaries do not depend upon the 2023 Project. The property owners within the District are therefore receiving special benefits not received by those outside the District's boundaries.



## **1.4 Requirements of a Valid Assessment Methodology**

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

Florida law provides for a wide application of special assessments that meet these two requirements for valid special assessments.

## **1.5 Special Benefits Exceed the Costs Allocated**

The special benefits provided to the property owners within the District are greater than the costs associated with providing these benefits. The District Engineer estimates that the District's 2023 Project, which is necessary to support full development of certain property within the District, will cost approximately \$14,848,800. The District's underwriter projects that financing costs required to fund a portion of the 2023 Project, the cost of issuance of the Series 2023 Bonds, the funding of a debt service reserve, and capitalized interest, will be approximately \$3,430,000. Additionally, funding required to complete the 2023 Project which is not financed with Bonds will be funded by Hanover Tyson, LLC or a related entity (the "Developer"). Without the 2023 Project, the property within the District would not be able to be developed per the Development program and occupied by future residents of the community.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District is planning to issue approximately \$3,430,000 in Series 2023 Bonds to fund a portion of the 2023 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$3,430,000 in debt to the properties benefiting from the 2023 Project.

Table 1 identifies the proposed land uses as identified by the Developer and current landowners of the land within the District. The District has relied on the Engineer's Report to develop the costs of the 2023 Project needed to support a portion the Development, which construction costs are outlined in Table 2. The improvements needed to support the 2023 Project Area are described in detail in the Engineer's Report and are estimated to cost \$14,848,800. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for

the a portion of the 2023 Project and related costs was determined by the District's underwriter to total approximately \$3,430,000. Table 3 shows the breakdown of the bond sizing.

## **2.2 Allocation of Debt**

Allocation of debt assessments is a continuous process until the Development plan is completed. The 2023 Project funded by the Series 2023 Bonds benefits all developable acres within the District.

When platting, site planning, or the recording of declaration of condominium, ("Assigned Properties") occurs, the assessments will be allocated to the Assigned Properties based on the benefits they receive. Property that has not been platted, assigned development rights or subjected to a declaration of condominium ("Unassigned Properties"), will continue to be assessed on an equal assessment per acre basis. Eventually the Development plan will be completed and the debt relating to the Bonds is anticipated to be allocated and absorbed by the planned 193 residential units within the 2023 Project Area of the District, as depicted in Table 5 and Table 6. If there are changes to the Phase One Development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. That process is outlined in Section 3.0

The assignment of debt assessments pledged to the Series 2023 Bonds to platted units will be done on a first-platted, first assigned basis, consistent with the assessment methodology found in the Master Report and as further described below. The initial assessments will be allocated to the platted property within the District (which currently consists of 193 units in Phase One) at levels provided in Table 6. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point, all of the lands within the District are benefitting from the improvements.

The debt assessment levels for platted units provided in this Supplemental Assessments Report have been determined based on target annual assessment installments provided by the Developer in order to achieve a certain market-level end user assessment. In order to reduce the debt service assessments for the Series 2023 Bonds to the target level under the methodology, the District shall recognize contributions of CIP infrastructure from the Developer. This is reflected in Table 5. Based on the product type and number of units anticipated to absorb a certain amount of the Bond principal, it is estimated that the Developer will contribute a total of \$605,000 in eligible infrastructure to the District.

### **2.3 Allocation of Benefit**

The 2023 Project includes but is not limited to roadways (onsite and offsite), stormwater management, utilities (water, sewer and reclaim facilities and including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency, as further provided in the Engineer's Report. There are *two* residential product types within the planned Development. The Single Family 50' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of the 2023 Project costs to the particular land uses. It is important to note that the benefit derived from the improvements on the particular units exceeds the cost that the units will be paying for such benefits.

### **2.4 Lienability Test: Special and Peculiar Benefit to the Property**

Construction and/or acquisition by the District of a portion of the 2023 Project will provide several types of systems, facilities and services for its residents. These include roadways (onsite and offsite), stormwater management, utilities (water, sewer and reclaim facilities including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency. These improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the improvements in fact actually provided.

For the provision of 2023 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable, but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual non-ad valorem special assessment levied for the improvement or the debt as allocated.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, it does have an important role to play during

the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is processed, the District must allocate a portion of its debt to the property according to the Assessment Report. In addition, the District must also prevent any buildup of debt on Unassigned Property. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. If the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

#### **4.0 Assessment Roll**

The debt service assessments pledged to the Series 2023 Bonds will be allocated to the platted 193 lots within Phase One of the District. If the land use plan changes, then the District will update Tables 1, 4, 5, 6 & 7 to reflect the changes. As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The current assessment roll is depicted in Table 7.

TABLE 1  
 LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
 DEVELOPMENT PROGRAM  
 FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	Phase 1 Units *	Totals	ERUs per Unit (1)	Total ERUs
Single Family 34'	52	52	0.75	39
Single Family 50'	141	141	1.00	141
Total Units	193	193		180

(1) Benefit is allocated on an ERU basis; based on density of planned development, with a Single Family 50' unit equal to one ERU.

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 2**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**INFRASTRUCTURE COST ESTIMATES**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

2023 Project (1)	Total Cost Estimate
Roadways	\$3,063,000
Stormwater Management	\$3,750,000
Utilities (Water, Sewer, Reclaim)	\$4,372,000
Hardscape/Landscape/Irrigation/Trails	\$343,000
Undergrounding of Conduit	\$456,000
Environmental Conservation/Mitigation	\$428,000
Professional Fees	\$500,000
Contingency (15%)	\$1,936,800
	<b>\$14,848,800</b>

(1) A detailed description of these improvements is provided in the Amended & Restated Master Engineer's Report dated November 2, 2022, as updated May 31, 2023.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 3**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**BOND SIZING**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

<b>Description</b>	<b>Series 2023 Bonds</b>
Construction Funds	\$2,980,017
Debt Service Reserve	\$120,015
Capitalized Interest	\$61,368
Underwriters Discount	\$68,600
Cost of Issuance	\$200,000
<b>Par Amount*</b>	<b>\$3,430,000</b>

Bond Assumptions:

Average Coupon	5.65%
Amortization	30 years
Capitalized Interest	Thru 11/1/2023
Debt Service Reserve	50% of Max Annual D/S
Underwriters Discount	2%

\* Par amount is subject to change based on the actual terms at the sale of the Bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4  
 LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
 ALLOCATION OF BENEFIT  
 FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements Costs Per Product Type	Improvement Costs Per Unit
Single Family 34'	52	0.75	39.0	21.67%	\$3,217,240	\$61,870
Single Family 50'	141	1.00	141.0	78.33%	\$11,631,560	\$82,493
Totals	193		180	100.00%	\$14,848,800	

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC



**TABLE 5**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**ALLOCATION OF TOTAL BENEFIT/PAR DEBT TO EACH PRODUCT TYPE**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Product Types	No. of Units *	Total Improvement Costs Per Product Type	Potential Allocation of Par Debt Per Product Type	Potential Allocation of Par Debt Per	Developer Contributions Per Product Type**	Developer Contributions Per Unit***	Allocation of 2023 Par Debt Per Product	2023 Par Debt Per Unit
Single Family 34'	52	\$3,217,240	\$874,250	\$16,813	(\$1,135)	(\$22)	\$873,115	\$16,791
Single Family 50'	141	\$11,631,560	\$3,160,750	\$22,417	(\$603,865)	(\$4,283)	\$2,556,885	\$18,134
<b>Totals</b>	<b>193</b>	<b>\$14,848,800</b>	<b>\$4,035,000</b>		<b>(\$605,000)</b>		<b>\$3,430,000</b>	

\* Unit mix is subject to change based on marketing and other factors.

\*\* In order for debt service assessment levels to be consistent with market conditions, developer contributions are recognized. Based on the product type and number of units anticipated to absorb the Bond Principal, it is estimated that the CDD will recognize a Developer contribution equal to \$605,000 in eligible CIP infrastructure.

\*\*\*Amount calculated by determining the difference between the Potential Allocation of Par Debt Per Product Type Per Unit and the 2023 Par Debt Per Unit.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 6**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Product Types	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit**	Per Unit on roll Annual Debt Assessment If Paid In November***	Gross Annual Debt Assessment Per Unit (1)
Single Family 34'	52	\$873,115	\$16,791	\$61,100	\$1,175.00	\$1,198.98	\$1,250.00
Single Family 50'	141	\$2,556,885	\$18,134	\$178,929	\$1,269.00	\$1,294.90	\$1,350.00
Totals	193	\$3,430,000		\$240,029			

(1) This amount includes 6% for collection fees and early payment discounts when collected on the County Tax Bill.

\* Unit mix is subject to change based on marketing and other factors.

\*\*Amounts represent targeted Annual Net Assessments Per Unit.

\*\*\*This amount includes 2% for County collection fees.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 7**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**PRELIMINARY ASSESSMENT ROLL**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Owner	Property	Units	Type	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 1	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 2	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 3	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 4	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 5	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 6	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 7	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 8	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 9	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 10	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 11	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 12	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 13	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 14	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 15	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 16	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 17	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 18	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 19	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 20	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 21	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 22	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 23	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 24	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 25	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 26	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 27	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 28	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 29	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 30	1	50'	\$18,134	\$1,269.00	\$1,350

Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 31	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 32	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 33	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 34	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 35	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 36	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 37	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 38	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 39	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 40	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 41	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 42	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 43	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 44	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 45	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 46	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 47	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 48	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 49	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 50	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 51	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 52	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 53	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 54	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 55	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 56	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 57	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 58	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 59	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 60	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 61	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 62	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 63	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 64	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 65	1	34'	\$16,791	\$1,175.00	\$1,250

Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 66	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 67	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 68	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 69	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 70	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 71	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 72	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 73	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 74	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 75	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 76	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 77	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 78	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 79	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 80	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 81	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 82	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 83	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 84	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 85	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 86	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 87	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 88	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 89	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 90	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 91	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 92	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 93	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 94	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 95	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 96	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 97	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 98	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 99	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 100	1	34'	\$16,791	\$1,175.00	\$1,250

Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 101	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 102	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 103	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 104	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 105	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 106	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 107	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 108	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 109	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 110	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 111	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 112	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 113	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 114	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 115	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 116	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 117	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 118	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 119	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 120	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 121	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 122	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 123	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 124	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 125	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 126	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 127	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 128	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 129	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 130	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 131	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 132	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 133	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 134	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 135	1	50'	\$18,134	\$1,269.00	\$1,350



Owner	Property	Units	Type	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 171	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 172	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 173	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 174	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 175	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 176	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 177	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 178	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 179	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 180	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 181	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 182	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 183	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 184	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 185	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 186	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 187	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 188	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 189	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 190	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 191	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 192	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 193	1	50'	\$18,134	\$1,269.00	\$1,350
Totals		193		\$3,430,000	\$240,029	\$255,350

(1) This amount includes 6% to cover collection fees and early payment discounts when collected on the County Tax Bill.

Annual Assessment Periods	30
Average Coupon Rate (%)	5.65%
Maximum Annual Debt Service	\$240,029

\* - See Metes and Bounds, attached as Exhibit A

Prepared by: Governmental Management Services - Central Florida, LLC



## LEGAL DESCRIPTION:

PER CHICAGO TITLE INSURANCE COMPANY TITLE COMMITMENT  
FILE No. 20200389, DATED JULY 29, 2020 AT 5:00PM

### PARCEL:

From the Northwest corner of the Southwest 1/4 of  
Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run  
N89°68'40"E, along the North line of said Southwest 1/4, 1740.00 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1048.61 feet to the Point of  
Beginning; continue South, 550.00 feet; run thence N89°38'40"E, 1660.00 feet; run thence  
North, parallel to the West line of said Southwest 1/4, 550.00 feet; run thence  
S89°38'40"W, 1660.00 feet to the Point of Beginning.

### TOGETHER WITH:

From the Northwest corner of the Southwest 1/4 of  
Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run  
N89°38'40"E, along the North line of said Southwest 1/4, 1740.0 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1598.61 feet to the Point of  
Beginning; continue South, 330.0 feet, run thence N89°38'40"E, 660.0 feet; run thence  
South 822.26 feet to a point 25.0 feet off the centerline of Old Kissimmee-Melbourne  
Road; run thence S68°38'10"E, parallel to the centerline of said road, 878.57 feet, run  
thence S71°25'51"E, parallel to said centerline, 255.21 feet; run thence N28°16'35"E along  
the Westerly Right of Way line of State Road 534-A, 1778.4 feet; run thence  
S89°38'40"W, 2563.40 feet to the Point of Beginning, being in  
Sections 3 and 10, Township 26 South, Range 31 East, Osceola County, Florida; LESS  
AND EXCEPT: from the Northwest corner of the Southwest 1/4 of Section 3, run  
N89°38'40"E, along the North line of said Southwest 1/4, 170.0 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1928.61 feet; run thence  
N89°38'40"E, 660.0 feet to the Point of Beginning; continue N89°38'40"E, 100.0 feet; run  
thence South, 862.0 feet to the North Right of Way line of the Old Kissimmee-Melbourne  
Road; run thence N68°38'10"W, 107.38 feet along said Right of Way; run thence  
North, 822.26 feet to the Point of Beginning.

Total Area is 72.18 AC.



8 BROADWAY AVENUE, SUITE 104, FLORIDA 34741-5481  
PHONE: (407) 847-9433 FAX: (407) 847-2499  
ENG. CERT. OF AUTHOR. No. 3265/SUR. CERT. OF AUTHOR. No. 3270  
ENGINEERING, SURVEYING AND PLANNING



**HANSON, WALTER & ASSOCIATES, INC.**

**LAKE LIZZIE CDD**

**DISTRICT BOUNDARIES**

DATE 11/02/2022 EXHIBIT 2.2 SHEET 2 OF 2

# SECTION C

**RESOLUTION NO. 2023-41**

**A RESOLUTION DELEGATING TO THE CHAIRMAN OR ANY OTHER MEMBER OF THE BOARD OF SUPERVISORS OF LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT (THE "DISTRICT") THE AUTHORITY TO APPROVE THE SALE, ISSUANCE AND TERMS OF SALE OF LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2023 (2023 ASSESSMENT AREA), AS A SINGLE SERIES OF BONDS UNDER THE MASTER TRUST INDENTURE (THE "SERIES 2023 BONDS") IN ORDER TO FINANCE THE SERIES 2023 PROJECT; ESTABLISHING THE PARAMETERS FOR THE PRINCIPAL AMOUNTS, INTEREST RATES, MATURITY DATES, REDEMPTION PROVISIONS AND OTHER DETAILS THEREOF; APPROVING THE FORM OF AND AUTHORIZING ACCEPTANCE OF THE BOND PURCHASE AGREEMENT FOR THE SERIES 2023 BONDS; APPROVING A NEGOTIATED SALE OF THE SERIES 2023 BONDS TO THE UNDERWRITER; APPROVING THE FORMS OF THE MASTER TRUST INDENTURE AND FIRST SUPPLEMENTAL TRUST INDENTURE AND AUTHORIZING THE EXECUTION AND DELIVERY THEREOF BY CERTAIN OFFICERS OF THE DISTRICT; APPOINTING A TRUSTEE, PAYING AGENT AND BOND REGISTRAR FOR THE SERIES 2023 BONDS; APPROVING THE FORM OF THE SERIES 2023 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE USE OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM AND LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2023 BONDS; APPROVING THE FORM OF THE CONTINUING DISCLOSURE AGREEMENT RELATING TO THE SERIES 2023 BONDS; AUTHORIZING CERTAIN OFFICERS OF THE DISTRICT TO TAKE ALL ACTIONS REQUIRED AND TO EXECUTE AND DELIVER ALL DOCUMENTS, INSTRUMENTS AND CERTIFICATES NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2023 BONDS; AUTHORIZING THE VICE CHAIRMAN AND ASSISTANT SECRETARIES TO ACT IN THE STEAD OF THE CHAIRMAN OR THE SECRETARY, AS THE CASE MAY BE; SPECIFYING THE APPLICATION OF THE PROCEEDS OF THE SERIES 2023 BONDS; AUTHORIZING CERTAIN OFFICERS AND AGENTS OF THE DISTRICT TO TAKE ALL ACTIONS AND ENTER INTO ALL AGREEMENTS REQUIRED IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE SERIES 2023 BONDS AND THE ACQUISITION AND CONSTRUCTION OF THE SERIES 2023 PROJECT; APPROVAL OF PRIOR ACTIONS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the Board of Supervisors of Lake Lizzie Community Development District (the "Board" and the "District," respectively) has determined to proceed at this time with the sale and issuance of Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the "Series 2023 Bonds") to be issued under and pursuant to a Master Trust Indenture, dated as of the first day of the first month and year in which Bonds are issued thereunder (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture to be dated as of the first day of the first month and year in which the Series 2023 Bonds are issued thereunder (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") between the District and the Trustee, in order to finance a portion of the Costs of the Series 2023 Project, as more particularly described in the Amended and Restated Master Engineer's Report dated November 2, 2022, as updated May 31, 2023 (the "Engineer's Report");

**WHEREAS**, the Board has determined that given the nature of the market, the necessity for moving rapidly and the nature of the security for the Series 2023 Bonds, it is necessary and desirable for the Series 2023 Bonds to be sold by negotiated sale rather than competitively bid;

**WHEREAS**, the Board has received a proposal from MBS Capital Markets, LLC (the "Underwriter") for the purchase of the Series 2023 Bonds within parameters to be established by the Board and the Board has determined that authorization of the Chairman or other designated person to enter into a Bond Purchase Agreement (the "Purchase Agreement") in substantially the form attached hereto as Exhibit A for the sale of the Series 2023 Bonds to the Underwriter within the Parameters (hereinafter defined) herein set forth is in the best interests of the District for the reasons hereafter indicated; and

**WHEREAS**, in conjunction with the sale and issuance of the Series 2023 Bonds, it is necessary to approve the forms of the Master Indenture and Supplemental Indenture, to establish the parameters for the delegated award of the Series 2023 Bonds as set forth in Schedule I attached hereto (the "Parameters"), to authorize the Chairman or other designated persons to approve the use of the Preliminary Limited Offering Memorandum relating to the Series 2023 Bonds and the form of the final Limited Offering Memorandum, to approve the form of the Series 2023 Bonds and to provide for various other matters with respect to the Series 2023 Bonds and the undertaking of the Series 2023 Project.

**NOW, THEREFORE, BE IT RESOLVED** that:

**1. Definitions.** All words and phrases used herein in capitalized form, unless otherwise defined herein, shall have the meaning ascribed to them in the Indenture.

**2. Award.** The Purchase Agreement in the form attached hereto as Exhibit A is hereby approved in substantial form and the sale of the Series 2023 Bonds to the Underwriter upon the terms and conditions therein set forth, but within the Parameters, is hereby approved. The Chairman is hereby authorized and directed to execute and deliver the Purchase Agreement on behalf of the District, with such changes, additions, deletions and insertions as shall be approved by the official executing such Purchase Agreement, which approval shall be conclusively evidenced by the execution and delivery thereof. In the absence or unavailability of the Chairman, the Vice Chairman is authorized and directed to execute the Purchase Agreement, and in the absence or unavailability of the Vice Chairman, any other member of the Board is authorized and directed to execute the Purchase Agreement. The Purchase Agreement, when executed and delivered by the District and the Underwriter, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms.

**3. Negotiated Sale.** The Board hereby determines that a negotiated sale of the Series 2023 Bonds to the Underwriter is in the best interests of the District because the market for instruments such as the Series 2023 Bonds is limited, because of prevailing market conditions and because the delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the Series 2023 Bonds.

**4. Approval of Forms of Master Indenture and Supplemental Indenture; Appointment of Trustee, Paying Agent and Bond Registrar.** Attached hereto as Exhibit B are the forms of the Master Indenture and Supplemental Indenture, which are each hereby authorized and approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Master Indenture and Supplemental Indenture and the Chairman is hereby authorized to deliver to the Trustee the Master Indenture and Supplemental Indenture which, when executed and delivered by the Trustee, shall each constitute the legal, valid and binding obligation of the District, enforceable in accordance with its respective terms. U.S. Bank Trust Company, National Association, is hereby appointed as Trustee, Paying Agent and Bond Registrar under the Indenture.

**5. Description of Series 2023 Bonds.** The Series 2023 Bonds shall be dated as of their date of delivery and may be issued in one or more Series having such details as shall be set forth in the Purchase Agreement and as reflected in the Supplemental Indenture, but within the Parameters. The Series 2023 Bonds may be signed by the manual or facsimile signature of the Chairman and attested by the manual or facsimile signature of the Secretary. The Series 2023 Bonds shall, subject to the Parameters, be subject to redemption on the terms, at the times and prices and in the manner provided in the Purchase Agreement and in the form of Series 2023 Bonds attached to the Supplemental Indenture, which form is hereby

approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest and seal the Series 2023 Bonds and the Chairman is hereby authorized to deliver to the Trustee for authentication and delivery to the Underwriter upon payment by the Underwriter of the purchase price therefor, the Series 2023 Bonds which, when authenticated and delivered by the Trustee, shall be legal, valid and binding obligations of the District, enforceable in accordance with their terms.

**6. Approval of Form of Preliminary Limited Offering Memorandum and Limited Offering Memorandum; Approval of Form of Continuing Disclosure Agreement.** The Chairman is hereby authorized to approve the form and content of the Preliminary Limited Offering Memorandum, which is attached hereto as Exhibit C (the "Preliminary Limited Offering Memorandum") with such changes, additions, deletions and insertions as shall be approved by the Chairman prior to its distribution and the final form of which is to be dated the date of execution and delivery of the Purchase Agreement (the "Limited Offering Memorandum") relating to the Series 2023 Bonds. The Chairman is hereby authorized to execute on behalf of the District such Limited Offering Memorandum with such changes, additions, deletions and insertions as the Chairman may approve (such approval to be conclusively evidenced by the execution of the Limited Offering Memorandum, if required), and to deliver such Limited Offering Memorandum to the Underwriter in sufficient quantities for use by the Underwriter in marketing the Series 2023 Bonds. The Chairman is hereby authorized to deem "final" the Preliminary Limited Offering Memorandum, as of its date, for the purposes and within the meaning of Rule 15c2-12 (the "Rule") of the Securities Exchange Act of 1934, as amended (except for permitted omissions within the meaning of the Rule concerning the offering prices, interest rates, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings or other terms dependent upon such matters, and except for such technical and conforming changes which shall be approved by the Chairman which approval shall be evidenced by the execution thereof, if required).

The Continuing Disclosure Agreement relating to the Series 2023 Bonds in the form attached hereto as Exhibit D is hereby approved, subject to such changes, additions, deletions and insertions as shall be approved by the Chairman, which approval shall be conclusively evidenced by the execution thereof. The Chairman is hereby authorized to execute and the Secretary is authorized to attest the Continuing Disclosure Agreement which, when executed and delivered by the District, shall be the legal, valid and binding obligation of the District, enforceable in accordance with its terms. Governmental Management Services – Central Florida, LLC is hereby appointed as the initial dissemination agent.

**7. Open Meetings.** It is hereby found and determined that all official acts of this Board concerning and relating to the issuance, sale, and delivery of the Series 2023 Bonds, including but not limited to adoption of this Resolution, were taken in open meetings of the members of the Board and all deliberations of the members of the Board that resulted in such official acts were in meetings open to the public, in compliance with all legal requirements including, but not limited to, the requirements of Section 286.011, Florida Statutes.

**8. Other Actions.** The Chairman, the Secretary, and all other members, officers and agents of the Board and the District, including without limitation Assistant Secretaries, District Manager, District Engineer or Consulting Engineer, as applicable, methodology consultant, Underwriter and various counsels to the District are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the Series 2023 Bonds and the consummation of all transactions in connection therewith, including the execution of all certificates, documents, papers, and agreements necessary to the undertaking and fulfillment of all transactions referred to in or contemplated by the Preliminary Limited Offering Memorandum, the Limited Offering Memorandum, the Indenture, this Resolution, the Continuing Disclosure Agreement and the Purchase Agreement, in all cases within the Parameters.

The Vice Chairman or, in the absence of the Vice Chairman, any other Board member is hereby authorized to act in the stead of the Chairman in any undertaking authorized or required of the Chairman hereunder and any Assistant Secretary is hereby authorized to act in the stead of the Secretary in any undertaking authorized or required of the Secretary hereunder.

**9. Deposits to Funds and Accounts.** The Trustee is hereby authorized and directed to apply the proceeds of the Series 2023 Bonds in the amounts and in the manner set forth in Section 402 of the Supplemental Indenture.

**10. Undertaking of the Series 2023 Project; Execution and Delivery of Other Instruments.** The Board hereby authorizes the undertaking of the Series 2023 Project as described in the Engineer's Report. The Board hereby approves the form of the Engineer's Report attached hereto as Exhibit E for the limited purpose of its inclusion in the Preliminary Limited Offering Memorandum. The Engineer's Report shall be in substantially the form attached hereto with such changes, additions, deletions and insertions as shall be approved by the Chairman. The Board authorizes and directs the District staff and the District Engineer or Consulting Engineer to proceed with due diligence to the completion thereof in accordance with the Indenture and as described in the Limited Offering Memorandum. The Board hereby authorizes the Chairman and the Secretary to execute and deliver, receive or enter into such agreements, contracts, documents, instruments, certificates and proceedings incident thereto or necessary in order to effect the undertaking of the Series 2023 Project and the issuance, sale and delivery

of the Series 2023 Bonds, including but not limited to the execution and delivery of the DTC Letter of Representation.

**11. Supplemental Assessment Methodology Report.** The Board hereby approves the form of the Preliminary First Supplemental Assessment Methodology for the Series 2023 Bonds dated June 7, 2023 (the "Supplemental Assessment Methodology"), attached here to as Exhibit F for the limited purpose of its inclusion in the Preliminary Limited Offering Memorandum. The Supplemental Assessment Methodology shall be in substantially the form attached hereto with such changes, additions, deletions and insertions as shall be approved by the Chairman.

**12. Approval of Prior Actions.** All actions taken to date by the members of the Board and the officers, agents and consultants of the District in furtherance of the issuance of the Series 2023 Bonds are hereby approved, confirmed and ratified.

**13. Severability.** If any section, paragraph, clause or provision of this Resolution shall be held to be invalid or ineffective for any reason, the remainder of this Resolution shall continue in full force and effect, it being expressly hereby found and declared that the remainder of this Resolution would have been adopted despite the invalidity or ineffectiveness of such section, paragraph, clause or provision.

**14. Effective Date.** This Resolution shall take effect immediately upon its adoption.

[Remainder of Page Intentionally Left Blank]



**PASSED** in Public Session of the Board of Supervisors of Lake Lizzie Community Development District, this 7<sup>th</sup> day of June, 2023.

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

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Secretary/Assistant Secretary

---

Chairman/Vice Chairman,  
Board of Supervisors

Schedule I – Parameters

Exhibit A – Form of Purchase Agreement

Exhibit B – Forms of Master Indenture and Supplemental Indenture

Exhibit C – Form of Preliminary Limited Offering Memorandum

Exhibit D – Form of Continuing Disclosure Agreement

Exhibit E – Form of Engineer's Report

Exhibit F – Form of Supplemental Assessment Methodology

# SECTION 1

**SCHEDULE I  
PARAMETERS**

Maximum Principal Amount:	Not to Exceed \$5,000,000
Maximum Coupon Rate:	Maximum Statutory Rate
Underwriting Discount:	Maximum 2.0%
Not to Exceed Maturity Date:	May 1, 2055
Redemption Provisions:	The Series 2023 Bonds shall be subject to redemption as set forth in the form of Series 2023 Bond attached to the form of Supplemental Indenture attached hereto and shall be subject to optional redemption no later than May 1, 2034 at par.

# SECTION 2

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
(Osceola County, Florida)**

[\$[-----]]  
**Capital Improvement Revenue Bonds, Series 2023  
(2023 Assessment Area)**

June \_\_, 2023

**BOND PURCHASE AGREEMENT**

Lake Lizzie Community Development District  
Osceola County, Florida

Ladies and Gentlemen:

MBS Capital Markets, LLC (the “Underwriter”) offers to enter into this Bond Purchase Agreement with the Lake Lizzie Community Development District (the “District” or the “Issuer”). This offer is made subject to written acceptance hereof by the Issuer at or before 12:00 midnight, New York time, on the date hereof. If not so accepted, this offer will be subject to withdrawal by the Underwriter upon written notice delivered to the Issuer at any time prior to the acceptance hereof by the Issuer. Capitalized terms that are not defined herein shall have the meanings ascribed to such terms in the Limited Offering Memorandum or the Indenture, as applicable, each as defined herein.

1. Purchase and Sale. Upon the terms and conditions and in reliance on the representations, warranties, covenants and agreements set forth herein, the Underwriter hereby agrees to purchase from the Issuer, and the Issuer hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$[-----] Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the “Series 2023 Bonds”). The Series 2023 Bonds shall be dated as of the date of their delivery and shall be payable on the dates and in the principal amounts, bear such rates of interest and be subject to redemption, all as set forth in Exhibit A attached hereto. Interest on the Series 2023 Bonds is payable semi-annually on May 1 and November 1 each year, commencing November 1, 2023. The aggregate purchase price for the Series 2023 Bonds shall be \$\_\_\_\_\_ (representing the aggregate par amount of the Series 2023 Bonds of \$\_\_\_\_\_, [less/plus] a [net] original issue [discount/premium] of \$\_\_\_\_\_, and less an Underwriter’s discount on the Series 2023 Bonds of \$\_\_\_\_\_).

The disclosure statement required by Section 218.385, Florida Statutes, is attached hereto as Exhibit B.

2. The Series 2023 Bonds. The Series 2023 Bonds are authorized and issued pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, and any successor statute thereto, the Florida Constitution, and other applicable provisions of law (collectively, the “Act”), and Ordinance No. 2022-18, enacted by the County Commission of Osceola County, Florida (the “County”), and effective on October 17, 2022. The District was established for the purposes, among other things, of financing and managing the acquisition, construction, installation, maintenance and operation of the major infrastructure necessary for development in the community known as “Trinity Place.” The Series 2023 Bonds are being issued pursuant to the Act and a Master Trust Indenture, dated as of [July 1, 2023] (the “Master Indenture”), between the District and U.S. Bank Trust Company, National Association, as trustee (the “Trustee”), as supplemented by a First Supplemental Trust Indenture, dated as of [July 1, 2023], between the District and the Trustee (the “First Supplemental Indenture,” and together with the Master Indenture, the “Indenture”), and Resolution Nos. 2023-26 and 2023-[--] adopted by the District on November 2, 2022 and [June 7, 2023], respectively (together, the “Bond Resolutions”), authorizing the issuance of the Series 2023 Bonds. The Series 2023 Assessments comprising the Series 2023 Pledged Revenues will be levied by the Issuer on lands within the District specially benefited by the Series 2023 Project pursuant to resolutions duly adopted by the Board (collectively, the “Assessment Resolutions”). The Series 2023 Bonds shall be as described in, and shall be issued and secured pursuant to, the provisions of the Indenture. The Issuer will also enter into: (a) a Continuing Disclosure Agreement (the “Continuing Disclosure Agreement”) with Hanover Tyson, LLC (the “Developer”) and Governmental Management Services – Central Florida, LLC, as dissemination agent; (b) the [Collateral Assignment and Assumption of Development and Contract Rights] (the “Collateral Assignment”) with the Developer; (c) the [Agreement Regarding the Completion of Certain Improvements] (the “Completion Agreement”) with the Developer; (d) the [Agreement Regarding the True-Up and Payment of Special Assessments (Series 2023 Bonds)] (the “True-Up Agreement”) with the Developer; (e) the [Agreement Regarding the Acquisition of Work Product, Improvements and Real Property] (the “Acquisition Agreement”) with the Developer; and (f) this Bond Purchase Agreement. For purposes hereof, this Bond Purchase Agreement, the Indenture, the Continuing Disclosure Agreement, the Collateral Assignment, the Completion Agreement, the Acquisition Agreement, and the True-Up Agreement are referred to herein collectively as the “Financing Documents.”

The Series 2023 Bonds are being issued to: (i) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2023 Project, as more particularly described in the Limited Offering Memorandum; (ii) pay certain costs associated with the issuance of the Series 2023 Bonds; (iii) pay a portion of the interest to become due on the Series 2023 Bonds; and (iv) make a deposit into the Series 2023 Reserve Account to be held for the benefit of all of the Series 2023 Bonds.

The principal and interest on the Series 2023 Bonds are payable from and secured by the Series 2023 Trust Estate, which includes the Series 2023 Pledged Revenues and the Series 2023 Pledged Funds. The Series 2023 Pledged Revenues consist primarily of the revenues derived by the District from non-ad valorem special assessments levied against certain residential lands in the District that are subject to assessment as a result of the Series 2023 Project or any portion

thereof (the “Series 2023 Assessments”). The Series 2023 Pledged Funds include all of the Funds and Accounts (except for the Series 2023 Rebate Account) established by the Indenture.

3. Delivery of Limited Offering Memorandum and Other Documents. (e) Prior to the date hereof, the Issuer provided to the Underwriter for its review the Preliminary Limited Offering Memorandum dated [June --, 2023], (the “Preliminary Limited Offering Memorandum”), that the Issuer deemed final as of its date, except for certain permitted omissions (the “permitted omissions”), as contemplated by Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”) in connection with the pricing of the Series 2023 Bonds. The Issuer hereby confirms that the Preliminary Limited Offering Memorandum was deemed final as of its date, except for the permitted omissions.

(b) The Issuer shall deliver, or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof or use good faith to deliver within such shorter period as may be requested by the Underwriter and at least three (3) business days prior to the date the Series 2023 Bonds are delivered to the Underwriter, or within such other period as the Underwriter may inform the Issuer which is necessary for the Underwriter to comply with regulations of the Municipal Securities Rulemaking Board (“MSRB”) in order to accompany any confirmation that requests payment from any customer, sufficient copies of the final Limited Offering Memorandum (“Limited Offering Memorandum”) to enable the Underwriter to fulfill its obligations pursuant to the securities laws of Florida and the United States, in form and substance satisfactory to the Underwriter. In determining whether the number of copies to be delivered by the Issuer are reasonably necessary, at a minimum, the number shall be determined by the Underwriter and conveyed to the Issuer as shall be sufficient to enable the Underwriter to comply with the requirements of the Rule, all applicable rules of the MSRB, and to fulfill its duties and responsibilities under Florida and federal securities laws generally.

The Underwriter agrees to file the Limited Offering Memorandum in accordance with applicable MSRB rules.

The Issuer authorizes, or ratifies as the case may be, the use and distribution of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2023 Bonds. The Underwriter agrees that it will not confirm the sale of any Series 2023 Bonds unless the confirmation of sale requesting payment is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum.

(c) From the date hereof until the earlier of (i) ninety (90) days from the “end of the underwriting period” (as defined in the Rule), or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB (but in no case less than twenty-five (25) days following the end of the underwriting period), if the Issuer has knowledge of the occurrence of any event which may make it necessary to amend or supplement the Limited Offering Memorandum in order to make the statements therein, in the light of the circumstances under which they were made, not misleading, the Issuer shall notify the Underwriter and if, in the

reasonable opinion of the Issuer or the reasonable opinion of the Underwriter, such event requires the preparation and publication of an amendment or supplement to the Limited Offering Memorandum, the Issuer, at its expense (unless such event was caused by the Underwriter), shall promptly prepare an appropriate amendment or supplement thereto (and file or cause to be filed, the same with the MSRB, and mail such amendment or supplement to each record owner of Series 2023 Bonds) so that the statements in the Limited Offering Memorandum as so amended or supplemented will not, in light of the circumstances under which they were made, be misleading, in a form and in a manner reasonably approved by the Underwriter. The Issuer will promptly notify the Underwriter of the occurrence of any event of which it has knowledge, which, in its opinion, is an event described in the preceding sentence. The amendments or supplements that may be authorized for use with respect to the Series 2023 Bonds are hereinafter included within the term "Limited Offering Memorandum."

4. Authority of the Underwriter. The Underwriter is duly authorized to execute this Bond Purchase Agreement and to perform its obligations hereunder. The Underwriter hereby represents that neither it nor any "person" or "affiliate" has been on the "convicted vendor list" during the past thirty-six (36) months, as all such terms are defined in Section 287.133, Florida Statutes, as amended.

5. Offering and Sale of Series 2023 Bonds. The Underwriter agrees to make a bona fide limited offering to "accredited investors" representing the general public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriter or wholesalers) of all of the Series 2023 Bonds at not in excess of the initial public offering price or prices (or below the yield or yields) set forth in Exhibit A hereto; provided, however, that the Underwriter may (i) offer and sell the Series 2023 Bonds to certain bond houses, brokers or to similar persons or organizations acting in the capacity of underwriters or wholesalers at prices lower than the public offering prices set forth in Exhibit A hereto, and (ii) change such initial offering prices (or yields) as the Underwriter deems necessary in connection with the marketing of the Series 2023 Bonds. The Issuer hereby authorizes the Underwriter to use the Limited Offering Memorandum in connection with the limited public offering and sale of the Series 2023 Bonds and ratifies and confirms the distribution and use by the Underwriter prior to the date hereof of the Preliminary Limited Offering Memorandum in connection with such limited public offering and sale.

6. Issuer Representations, Warranties, Covenants and Agreements. The Issuer represents and warrants to and covenants and agrees with the Underwriter that, as of the date hereof and as of the date of the Closing (hereinafter defined):

(e) The District is a local unit of special purpose government, duly organized and established and validly existing under the Act and the Constitution and laws of the State of Florida, with full legal right, power and authority to: (i) adopt the Bond Resolutions and the Assessment Resolutions; (ii) enter into the Financing Documents; (iii) sell, issue and deliver the Series 2023 Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Series 2023 Bonds for the purposes described in the Limited Offering Memorandum;



(v) authorize the distribution of the Preliminary Limited Offering Memorandum and the execution of the Limited Offering Memorandum; (vi) carry out and consummate the transactions contemplated by the Bond Resolutions, the Assessment Resolutions, the Financing Documents and the Limited Offering Memorandum; (vii) undertake the completion or acquisition of the Series 2023 Project; and (viii) levy and collect the Series 2023 Assessments that will secure the Series 2023 Bonds. The Issuer has complied, and at the Closing will be in compliance in all respects, with the terms of the Act and with the obligations on its part contained in the Financing Documents and the Series 2023 Bonds.

(f) The District has complied, and at Closing will be in compliance in all respects, with the Bond Resolutions, the Assessment Resolutions, the Act, and the Constitution and laws of the State of Florida in all matters relating to the Financing Documents and the Series 2023 Bonds, and the imposition, levy and collection of the Series 2023 Assessments.

(g) The District has duly authorized and approved (and, with respect to the final Series 2023 Assessments, will duly authorize and approve) (1) the execution and delivery, or adoption, as the case may be, and performance of the Financing Documents, the Bond Resolutions, the Assessment Resolutions, the Series 2023 Assessments and the Series 2023 Bonds, (2) the use and distribution of the Preliminary Limited Offering Memorandum and the delivery and distribution of the Limited Offering Memorandum, and (3) the taking of any and all such action as may be required on the part of the District to carry out, give effect to and consummate the transactions contemplated by the Financing Documents, the Bond Resolutions, the Assessment Resolutions, the Series 2023 Assessments, the Series 2023 Bonds and the Limited Offering Memorandum.

(h) Each of the Financing Documents constitutes, or will at Closing constitute, a legally valid and binding obligation of the District enforceable in accordance with its terms, and, upon due authorization, execution and delivery thereof by the parties thereto, will constitute a legal, valid and binding obligation of the District enforceable in accordance with its terms.

(i) When delivered to and paid for by the Underwriter at the Closing in accordance with the provisions of this Bond Purchase Agreement, the Series 2023 Bonds will have been duly authorized, executed, authenticated, issued and delivered and will constitute legal, valid and binding special obligations of the District, conforming to the Act, and entitled to the benefit and security of the Indenture.

(j) Upon the execution, authentication, issuance and delivery of the Series 2023 Bonds as aforesaid, the First Supplemental Indenture will provide, for the benefit of the holders from time to time of the Series 2023 Bonds, a legally valid and binding pledge of and a security interest in and to the Series 2023 Trust Estate pledged to the Series 2023 Bonds, subject only to the provisions of the First Supplemental Indenture permitting the application of such Series 2023 Trust Estate for the purposes and on the terms and conditions set forth in the First Supplemental Indenture.

(k) Other than any approvals that might be required under the securities laws of any state, no approval, permit, consent or authorization of, or registration or filing with, any governmental or public agency or authority or any other entity not already obtained or made, or to be made simultaneously with the issuance of the Series 2023 Bonds, is required to be obtained by the District in connection with the issuance and sale of the Series 2023 Bonds, or the execution and delivery by the District of, or the due performance of its obligations under, the Financing Documents and the Series 2023 Bonds, and any such approvals, permits, consents or authorizations so obtained are in full force and effect.

(l) The District is not in breach of or in default under any applicable constitutional provision, law or administrative regulation of the State of Florida or the United States, the Financing Documents, the Series 2023 Bonds or any applicable judgment or decree or any other loan agreement, indenture, bond, note, resolution, agreement or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, that could have a materially adverse effect on the business or operations of the District, and no event of default by the District has occurred and is continuing under any such instrument.

(m) The execution and delivery by the District of the Financing Documents, the Series 2023 Bonds and any other instrument to which the District is a party and which is used or contemplated for use in conjunction with the transactions contemplated by the Financing Documents, the Series 2023 Bonds or the Limited Offering Memorandum, and the compliance with the provisions of each such instrument and the consummation of any transactions contemplated hereby and thereby, will not conflict with or constitute a breach of, or default under any indenture, contract, agreement, or other instrument to which the District is a party or by which it is bound, or to the best of its knowledge under any provision of the Constitution of the State of Florida or any existing law, rule, regulation, ordinance, judgment, order or decree to which the District (or any of its supervisors or officers in their respective capacities as such) or its properties is subject.

(n) Except as disclosed in the Limited Offering Memorandum, there is no action, suit, hearing, inquiry or investigation, at law or in equity, before or by any court, public board, agency or body, pending or, to the best knowledge of the District, threatened against the District or any of its supervisors in their respective capacities as such, in which an unfavorable decision, ruling or finding would, in any material way, adversely affect (1) the transactions contemplated by the Financing Documents, the Series 2023 Bonds or the proceedings relating to the Series 2023 Assessments, (2) the organization, existence or powers of the District or any of its supervisors or officers in their respective capacities as such, (3) the business, properties or assets or the condition, financial or otherwise, of the District, (4) the validity or enforceability of the Series 2023 Bonds, the Financing Documents, the Series 2023 Assessments or any other agreement or instrument to which the District is a party and which is used or contemplated for use in the transactions contemplated hereby or by the Indenture, (5) the exclusion from gross income for federal income tax purposes of the interest on the Series 2023 Bonds, (6) the exemption under the Act of the Series 2023 Bonds and the interest thereon from taxation imposed by the State of Florida, (7) the legality of investment in the Series 2023 Bonds for certain investors as provided in the Act, (8) the

issuance, sale or delivery of the Series 2023 Bonds, or (9) the collection of the Series 2023 Assessments and the pledge thereof under the Indenture to pay the principal or premium, if any, or interest on the Series 2023 Bonds.

(o) Other than as stated in the Limited Offering Memorandum, the District has not issued, assumed or guaranteed any indebtedness, incurred any material liabilities, direct or contingent, or entered into any contract or arrangement of any kind payable from or secured by a pledge of the Series 2023 Trust Estate pledged to the Series 2023 Bonds with a lien thereon prior to or on a parity with the lien of the Series 2023 Bonds.

(p) Between the date of this Bond Purchase Agreement and the date of the Closing, the District will not, without the prior written consent of the Underwriter, incur any material liabilities, direct or contingent, nor will there be any adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District, other than (1) as contemplated by the Limited Offering Memorandum, or (2) in the ordinary course of business.

(q) Any certificates signed by any official of the District authorized to do so shall be deemed a representation and warranty by the District to the Underwriter as to the statements made therein.

(r) No representation or warranty by the District in this Bond Purchase Agreement nor any statement, certificate, document or exhibit furnished to or to be furnished by the District pursuant to this Bond Purchase Agreement or the Limited Offering Memorandum or in connection with the transactions contemplated hereby contains or will contain on the date of Closing any untrue statement of a material fact or omits or will omit a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or the Underwriter or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "THE DISTRICT – District Manager and Other Consultants," "THE DEVELOPMENT," "THE DEVELOPER," "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System," "TAX MATTERS," "LITIGATION – The Developer," "CONTINUING DISCLOSURE" (as it relates to the Developer) and "UNDERWRITING."

(s) The District is not in default and has not been in default at any time after December 31, 1975, as to principal or interest with respect to any obligations issued or guaranteed by the District.

7. The Closing. At 12:00 noon, New York time, on [July --, 2023], or at such earlier or later time or date to which the Issuer and the Underwriter may mutually agree, the Issuer will, subject to the terms and conditions hereof, deliver the Series 2023 Bonds to the Underwriter in full book-entry form, duly executed, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and

pay the aggregate purchase price of the Series 2023 Bonds as set forth in Paragraph 1 hereof (such delivery of and payment for the Series 2023 Bonds is herein called the “Closing”). The Issuer shall cause CUSIP identification numbers to be printed on the Series 2023 Bonds, but neither the failure to print such number on any Series 2023 Bond nor any error with respect thereto shall constitute cause for a failure or refusal by the Underwriter to accept delivery of and pay for the Series 2023 Bonds in accordance with the terms of this Bond Purchase Agreement. The Closing shall occur at the offices of the Issuer, or such other place to which the Issuer and the Underwriter shall have mutually agreed. The Series 2023 Bonds shall be prepared and delivered as fully registered bonds in such authorized denominations and registered in full book-entry form in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”) and shall be delivered to DTC during the business day prior to the Closing for purposes of inspection, unless the DTC “F.A.S.T.” procedure is used which requires the Registrar to retain possession of the Series 2023 Bonds.

8. Closing Conditions. The Underwriter has entered into this Bond Purchase Agreement in reliance upon the representations, warranties and agreements of the District contained herein and contained in the documents and instruments delivered at the Closing, and upon the performance by the District of its obligations hereunder, as of the date of the Closing. Accordingly, the Underwriter’s obligations under this Bond Purchase Agreement to cause the purchase, acceptance of delivery and payment for the Series 2023 Bonds shall be subject to the performance by the District of its obligations to be performed hereunder and under such documents and instruments at or prior to the Closing, and shall also be subject to the following conditions:

(e) The representations and warranties of the District contained herein shall be true, complete and correct on and as of the date of the Closing, the statements made in all certificates and other documents delivered to the Underwriter at the Closing shall be true, complete and correct as of the date of Closing, and the District shall be in compliance with each of the agreements made by it in this Bond Purchase Agreement and the Indenture as of the date of Closing;

(f) At the Closing, (1) the Financing Documents, the Bond Resolutions, the Assessment Resolutions, and the Series 2023 Assessments shall be in full force and effect and shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, and the District shall have adopted and there shall be in full force and effect such additional agreements therewith and in connection with the issuance of the Series 2023 Bonds all such action as in the reasonable opinion of Bond Counsel, shall be necessary in connection with the transactions contemplated hereby, (2) the Limited Offering Memorandum shall not have been amended, modified or supplemented, except as may have been agreed to in writing by the Underwriter, (3) there shall not have occurred any event that causes the Limited Offering Memorandum or any amendment or supplement thereto to contain an untrue or misleading statement of fact that in the opinion of the Underwriter or its counsel is material or omits to state a fact that in the opinion of the Underwriter or its counsel is material and necessary to make the statements therein, in light of the circumstances under which they were made, not

misleading, (4) the District shall perform or shall have performed all of its obligations under or specified in the Financing Documents to be performed at or prior to the Closing, and (5) the Series 2023 Bonds shall have been duly authorized, executed, authenticated and delivered;

(g) At or prior to the Closing, the Underwriter and the District shall have received executed or certified copies of the following documents:

(1) Certificates, dated the date of Closing, regarding the Limited Offering Memorandum and no default;

(2) The Bond Resolutions and the Assessment Resolutions, certified by an authorized officer of the District under its seal as true and correct copies and as having been adopted with only such amendments, modifications or supplements as may have been approved by the Underwriter;

(3) The Limited Offering Memorandum and each supplement or amendment, if any, thereto;

(4) A certificate of the District, dated the date of Closing, signed on its behalf by officers authorized by the Bond Resolutions, in substantially the form of Exhibit C hereto;

(5) An opinion, dated the date of Closing, of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, substantially in the form attached as an Appendix to the Limited Offering Memorandum;

(6) An opinion of Bond Counsel to the effect that Bond Counsel has reviewed the statements contained in the Limited Offering Memorandum under the sections captioned "DESCRIPTION OF THE SERIES 2023 BONDS" (other than the portion thereof captioned "Book-Entry Only System" and other than any information therein relating to DTC or the book-entry system, as to which no opinion is expressed) and "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS" (other than the portions thereof captioned "Agreement for Assignment of Development Rights," "Completion Agreement," and "True-Up Agreement" as to all of which no opinion will be expressed) and, insofar as such statements purport to be summaries of certain provisions of the Series 2023 Bonds, the Act and the Indenture, they constitute a fair summary of the information purported to be summarized therein, and the statements in the Limited Offering Memorandum on the cover relating to Bond Counsel's opinion and under the caption "TAX MATTERS" are accurate statements or summaries of the matters therein set forth;

(7) An opinion, dated the date of Closing, of Kutak Rock LLP, Tallahassee, Florida, District Counsel, in substantially the form of Exhibit D hereto;

(8) Copies of the Master Assessment Methodology dated November 2, 2022, and the [First Supplemental Assessment Methodology for the Series 2023 Bonds, dated

[June --, 2023]], each prepared by Governmental Management Services – Central Florida, LLC and a certificate from such firm in substantially the form attached hereto as Exhibit E;

(9) An opinion, dated the date of Closing, of Bryant Miller Olive P.A., Orlando, Florida, Counsel to the Underwriter (the “Underwriter’s Counsel”), in form and substance satisfactory to the Underwriter;

(10) An opinion, dated the date of Closing and addressed to the Underwriter and the Issuer, of counsel to the Trustee, in form and substance acceptable to the Underwriter and a customary authorization and incumbency certificate, dated the date of Closing, signed by authorized officers of the Trustee;

(11) A certificate of the Developer, in substantially the form of the certificate included herein as Exhibit F and an opinion of counsel to the Developer in substantially the form included herein as Exhibit G (which may be addressed to such parties in one or more separate opinions);

(12) A copy of the Amended and Restated Engineer’s Report of the Lake Lizzie Community Development District dated November 2, 2022, as updated May 31, 2023, and a certificate from the Issuer’s Consulting Engineer, in substantially the form attached hereto as Exhibit H dated the date of Closing and addressed to the Issuer and the Underwriter;

(13) A certificate, dated the date of Closing, of the authorized officers of the District to the effect that, on the basis of the facts, estimates and circumstances in effect on the date of Closing, it is not expected that the proceeds of the Series 2023 Bonds will be used in a manner that would cause the Series 2023 Bonds to be “arbitrage bonds” within the meaning of Section 148 of Internal Revenue Code of 1986, as amended;

(14) Specimen copies of the Series 2023 Bonds;

(15) A copy of the executed DTC Blanket Issuer Letter of Representations between the District and DTC;

(16) Executed Financing Documents;

(17) Evidence of compliance with the requirements of Section 189.051 and Section 215.84(3), Florida Statutes;

(18) A copy of the Final Judgment issued on March 20, 2023, by the Circuit Court of the Ninth Judicial Circuit of Florida, in and for Osceola County, Florida in Case No. 2022-CA-003182-OC and a certificate of no appeal;

(19) A Declaration of Consent from the Developer;

(20) A certificate of Governmental Management Services – Central Florida, LLC, in substantially the form of the certificate included herein as Exhibit E; and

(21) Such additional legal opinions, certificates (including such certificates as may be required by regulations of the Internal Revenue Service in order to establish the tax exempt character of the Series 2023 Bonds, which certificates shall be satisfactory in form and substance to Bond Counsel), and other evidence as the Underwriter, Bond Counsel or Underwriter’s Counsel may deem necessary to evidence the truth and accuracy as of the Closing of the representations and warranties of the District herein contained and of the information contained in the Limited Offering Memorandum and the due performance and satisfaction by the District at or prior to such time of all agreements then to be performed and all conditions then to be satisfied by it.

All of the opinions, letters, certificates, instruments and other documents mentioned above or elsewhere in this Bond Purchase Agreement shall be deemed to be in compliance with the provisions hereof if, but only if, they are in form and substance as set forth herein or as described herein or as otherwise satisfactory to the Underwriter. Receipt of, and payment for, the Series 2023 Bonds shall constitute evidence of the satisfactory nature of such as to the Underwriter. The performance of any and all obligations of the District hereunder and the performance of any and all conditions herein for the benefit of the Underwriter may be waived by the Underwriter in its sole discretion.

If the District shall be unable to satisfy the conditions to the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2023 Bonds contained in this Bond Purchase Agreement, or if the obligations of the Underwriter to cause the purchase, acceptance of delivery and payment for the Series 2023 Bonds shall be terminated for any reason permitted by this Bond Purchase Agreement, this Bond Purchase Agreement shall terminate, and neither the Underwriter nor the District shall be under any further obligation hereunder, but the respective obligations of the Underwriter and the District set forth in Section 10 hereof shall continue in full force and effect.

9. Termination. The Underwriter may terminate this Bond Purchase Agreement by written notice to the Issuer in the event that between the date hereof and the Closing:

(e) the marketability of the Series 2023 Bonds or the market price thereof, in the reasonable opinion of the Underwriter, has been materially adversely affected by an amendment to the Constitution of the United States or by any legislation (other than any actions taken by either House of Congress on or prior to the date hereof) (i) enacted or adopted by the United States, (ii) recommended to the Congress or otherwise endorsed for passage, by press release, other form of notice or otherwise, by the President of the United States, the chair or ranking minority member of the Committee on Finance of the United States Senate or the Committee on Ways and Means of the United States House of Representatives, the Treasury Department of the United States or the Internal Revenue Service, or (iii) favorably reported out of the appropriate Committee for passage to either House of the Congress by any full Committee of such House to

which such legislation has been referred for consideration, or by any decision of any court of the United States or by any order, rule or regulation (final, temporary or proposed) on behalf of the Treasury Department of the United States, the Internal Revenue Service or any other authority or regulatory body of the United States, or by a release or announcement or communication issued or sent by the Treasury Department or the Internal Revenue Service of the United States, or any comparable legislative, judicial or administrative development affecting the federal tax status of the Issuer, its property or income, obligations of the general character of the Series 2023 Bonds, as contemplated hereby, or the interest thereon; or

(f) any legislation, rule, or regulation shall be introduced in, or be enacted or adopted in the State of Florida, or a decision by any court of competent jurisdiction within the State of Florida shall be rendered which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2023 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2023 Bonds to be purchased by them; or

(g) any amendment to the Limited Offering Memorandum is proposed by the Issuer or deemed necessary by Bond Counsel or the Underwriter which, in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2023 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2023 Bonds to be purchased by them; or

(h) there shall have occurred any outbreak or escalation of hostility, declaration by the United States of a national emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the sole judgment of the Underwriter, impractical or inadvisable to proceed with the offering or delivery of the Series 2023 Bonds as contemplated by the Limited Offering Memorandum (exclusive of any amendment or supplement thereto); or

(i) legislation shall be enacted or adopted, or any action shall be taken by, or on behalf of, the Securities and Exchange Commission which, in the reasonable opinion of Bond Counsel, has the effect of requiring the contemplated distribution of the Series 2023 Bonds to be registered under the Securities Act of 1933, as amended, or the Indenture to be qualified under the Trust Indenture Act of 1939, as amended, or any laws analogous thereto relating to governmental bodies, and compliance therewith cannot be accomplished prior to the Closing; or

(j) legislation shall be introduced by amendment or otherwise in or be enacted by, the House of Representatives or the Senate of the Congress of the United States, or a decision by a Court of the United States of America shall be rendered, or a stop order, ruling, release, regulation, official statement or no-action letter by or on behalf of the Securities and Exchange Commission or any other governmental authority having jurisdiction of the subject matter of the Series 2023 Bonds shall have been proposed, issued or made (which is beyond the control of the Underwriter or the Issuer to prevent or avoid) to the effect that the issuance, offering or sale of the Series 2023 Bonds as contemplated hereby or by the Limited Offering Memorandum, or any document relating to the issuance, offering or sale of the Series 2023 Bonds is or would be in violation of any of the federal securities laws at Closing, including the Securities Act of 1933, as



amended and then in effect, the Securities Exchange Act of 1934, as amended and then in effect, or the Trust Indenture Act of 1939, as amended and then in effect, or with the purpose or effect of otherwise prohibiting the offering and sale of obligations of the general character of the Series 2023 Bonds, or the Series 2023 Bonds, as contemplated hereby; or

(k) there shall have occurred, after the signing hereof, either a financial crisis or a default with respect to the debt obligations of the Issuer or proceedings under the federal or State of Florida bankruptcy laws shall have been instituted by the Issuer, in either case the effect of which, in the reasonable judgment of the Underwriter, is such as to materially and adversely affect (i) the market price or the marketability of the Series 2023 Bonds, or (ii) the ability of the Underwriter to enforce contracts for the sale of the Series 2023 Bonds; or

(l) a general banking moratorium shall have been declared by the United States, New York or Florida authorities, which in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2023 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2023 Bonds to be purchased by them; or

(m) any national securities exchange, or any governmental authority, shall impose, as to the Series 2023 Bonds or obligations of the general character of the Series 2023 Bonds, any material restrictions not now in force, or increase materially those now in force, with respect to the establishment of material restrictions upon trading of securities, including limited or minimum prices, by any governmental authority or by any national securities exchange, which in the reasonable opinion of the Underwriter, materially adversely affects the market for the Series 2023 Bonds or the sale, at the contemplated offering prices, by the Underwriter of the Series 2023 Bonds to be purchased by it; or

(n) legal action shall have been filed against the Issuer wherein an adverse ruling would materially adversely affect the transactions contemplated hereby or by the Limited Offering Memorandum or the validity of the Series 2023 Bonds, the Bond Resolutions, the Assessment Resolutions, the Indenture, the Continuing Disclosure Agreement or this Bond Purchase Agreement; provided, however, that as to any such litigation, the Issuer may request and the Underwriter may accept an opinion by Bond Counsel, or of other counsel acceptable to the Underwriter, that in such counsel's opinion the issues raised by any such litigation or proceeding are without substance or that the contentions of any plaintiffs therein are without merit; or

(o) there shall have occurred or any notice shall have been given of any intended review, downgrading, suspension, withdrawal, or negative change in credit watch status by any national rating service to any of the Issuer's obligations; or

(p) any information shall have become known which, in the Underwriter's reasonable opinion, makes untrue, incorrect or misleading in any material respect any statement or information contained in the Limited Offering Memorandum, as the information contained therein has been supplemented or amended by other information, or causes the Limited Offering

Memorandum, as so supplemented or amended, to contain an untrue, incorrect or misleading statement of a material fact or to omit to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading and upon the receipt of notice of same by the Issuer, the Issuer fails to promptly amend or supplement the Limited Offering Memorandum; or

(q) an event occurs as a result of which the Limited Offering Memorandum, as then amended or supplemented, would include an untrue statement of a material fact or omit to state any material fact which is necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading which, in the reasonable opinion of the Underwriter, requires an amendment or supplement to the Limited Offering Memorandum and, in the reasonable opinion of the Underwriter, materially adversely affects the marketability of the Series 2023 Bonds or the contemplated offering prices thereof and upon the receipt of notice by the Issuer, the Issuer fails to promptly amend or supplement the Limited Offering Memorandum; or

(r) the Internal Revenue Service makes a determination with respect to any special purpose development district formed under State law (referred to herein as a “Special District”) deeming that all or certain of such Special Districts are not a “political subdivision” for purposes of Section 103(a) of the Code, and such determination, in the reasonable opinion of the Underwriter, materially adversely affects the federal tax status of the District, the tax exempt character or marketability of the Series 2023 Bonds or the contemplated offering prices thereof.

10. Expenses.

(e) The District agrees to pay from the proceeds of the Series 2023 Bonds, and the Underwriter shall be under no obligation to pay, all expenses incident to the performance of the District’s obligations hereunder, including but not limited to (1) the cost of the preparation, printing or other reproduction (for distribution prior to, on or after the date of acceptance of this Bond Purchase Agreement) of a reasonable number of copies of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (2) the fees and disbursements of Bond Counsel, District Counsel, Governmental Management Services – Central Florida, LLC, as Methodology Consultant, Hanson, Walter & Associates, Inc., as Consulting Engineer, and any other experts or consultants retained by the District, including, but not limited to, the fees and expenses of the District Manager; (3) the fees and disbursements of Underwriter’s Counsel; (4) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent under the Indenture; and (5) out-of-pocket expenses of the District.

(f) The Underwriter shall pay (1) the cost of qualifying the Series 2023 Bonds for sale in various states chosen by the Underwriter and the cost of preparing or printing any Blue Sky and legal investment memoranda to be used in connection with such sale; and (2) out-of-pocket expenses, including advertising, incurred by them in connection with their offering and distribution of the Series 2023 Bonds.

(g) In the event that either the District or the Underwriter shall have paid obligations of the other as set forth in this Section, adjustment shall be made at or prior to Closing.

11. No Advisory or Fiduciary Role. The District acknowledges and agrees that (i) the purchase and sale of the Series 2023 Bonds pursuant to this Bond Purchase Agreement is an arm's-length commercial transaction between the District and the Underwriter, (ii) in connection therewith and with the discussions, undertakings and procedures leading up to the consummation of such transaction, the Underwriter is and has been acting solely as a principal and is not acting as an advisor (including, without limitation, a Municipal Advisor, as such term is defined in Section 975(e) of the Dodd Frank Wall Street Reform and Consumer Protection Act), agent or fiduciary of the District, (iii) the Underwriter has not assumed an advisory or fiduciary responsibility in favor of the District with respect to the offering contemplated hereby or the discussions, undertakings and procedures leading thereto (irrespective of whether the Underwriter or any affiliate of the Underwriter has provided other services or is currently providing other services to the District on other matters) and the Underwriter has no obligation to the District with respect to the offering contemplated hereby except the obligations expressly set forth in this Bond Purchase Agreement, (iv) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate in connection with the offering of the Series 2023 Bonds, (v) the Underwriter has financial and other interests that differ from those of the District, and (vi) the District has received the Underwriter's G-17 Disclosure Letter.

12. Notices. All notices, demands and formal actions hereunder shall be in writing and mailed, electronically mailed or delivered to:

The Underwriter: MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789  
Attention: Brett Sealy  
Email: brett@mbscapitalmarkets.com

The District: Lake Lizzie Community Development District  
c/o Governmental Management Services-Central Florida, LLC  
219 East Livingston Street  
Orlando, Florida 32801  
Attention: George Flint  
Email: gflint@gmscfl.com

With a copy to: Kutak Rock LLP  
107 West College Avenue  
Tallahassee, Florida 32301  
Attention: Sarah Sandy  
Email: sarah.sandy@kutakrock.com

13. Parties in Interest. This Bond Purchase Agreement is made solely for the benefit of the Issuer and the Underwriter (including the successors or assignees of the Issuer or the

Underwriter) and no other party or person shall acquire or have any right hereunder or by virtue hereof. All representations, warranties, covenants and agreements in this Bond Purchase Agreement shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; (ii) the delivery of and payment for the Series 2023 Bonds pursuant to this Bond Purchase Agreement; or (iii) any termination of this Bond Purchase Agreement but only to the extent provided by the last paragraph of Section 8 hereof.

14. Waiver. Notwithstanding any provision herein to the contrary, the performance of any and all obligations of the Issuer hereunder and the performance of any and all conditions contained herein for the benefit of the Underwriter may be waived by the Underwriter, in its sole discretion.

15. Effectiveness. This Bond Purchase Agreement shall become effective upon the execution of the acceptance hereof by the Chair or Vice Chair of the District, or such other member of the District's Board of Supervisors as may be authorized to execute documents in connection with the issuance of the Series 2023 Bonds, and shall be valid and enforceable at the time of such acceptance.

16. Counterparts. This Bond Purchase Agreement may be executed in several counterparts, each of which shall be regarded as an original and all of which shall constitute one and the same document.

17. Headings. The headings of the sections of this Bond Purchase Agreement are inserted for convenience only and shall not be deemed to be a part hereof.

18. Florida Law Governs. The validity, interpretation and performance of this Bond Purchase Agreement shall be governed by the laws of the State of Florida.

19. Truth In Bonding Statement. Pursuant to the provisions of Section 218.385(2) and (3), Florida Statutes, as amended, the Underwriter provides the following truth-in-bonding statement:

(a) The Issuer is proposing to issue the Series 2023 Bonds in the aggregate principal amount of \$\_\_\_\_\_ for the purposes described in Section 2 hereof. The Series 2023 Bonds are expected to be repaid over a period of approximately \_\_\_\_ (\_\_\_\_) years. At a true interest cost rate of approximately \_\_\_\_\_%, total interest paid over the life of the Series 2023 Bonds will be approximately \$\_\_\_\_\_.

(b) The sources of repayment for the Series 2023 Bonds are the Series 2023 Pledged Revenues and the Series 2023 Pledged Funds (as described in Section 2 hereof). Authorizing the Series 2023 Bonds will result in a maximum of approximately \$\_\_\_\_\_ of Series 2023 Pledged Revenues not being available to finance other services of the Issuer every year for approximately \_\_\_\_ (\_\_\_\_) years; provided, however, that in the event the Series 2023 Bonds are not issued, the District would not be entitled to impose and collect the Series 2023 Assessments in the amount of the debt service to be paid on the Series 2023 Bonds.

20. Establishment of Issue Price.

(a) The Underwriter agrees to assist the Issuer in establishing the issue price of the Series 2023 Bonds and shall execute and deliver to the Issuer at Closing an “issue price” or similar certificate, together with the supporting pricing wires or equivalent communications, substantially in the form attached hereto as Exhibit I, with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the Issuer and Bond Counsel, to accurately reflect, as applicable, the sales price or prices or the initial offering price or prices to the public of the Series 2023 Bonds.

(b) The Issuer will treat the first price at which 10% of each maturity of the Series 2023 Bonds (the “10% test”) is sold to the public as the issue price of that maturity (if different interest rates apply within a maturity, each separate CUSIP number within that maturity will be subject to the 10% test). At or promptly after the execution of this Bond Purchase Agreement, the Underwriter shall report to the Issuer the price or prices at which it has sold to the public each maturity of Series 2023 Bonds. If at that time the 10% test has not been satisfied as to any maturity of the Series 2023 Bonds, the Underwriter agrees to promptly report to the Issuer the prices at which it sells the unsold Series 2023 Bonds of that maturity to the public. That reporting obligation shall continue, whether or not the Closing has occurred, until the 10% test has been satisfied as to the Series 2023 Bonds of that maturity or until all Series 2023 Bonds of that maturity have been sold to the public.

[Remainder of page intentionally left blank]

21. Entire Agreement. This Bond Purchase Agreement when accepted by you in writing as heretofore specified shall constitute the entire agreement between us and is made solely for the benefit of the Issuer and the Underwriter (including the successors or assigns of the Issuer or the Underwriter). No other person shall acquire or have any right hereunder or by virtue hereof.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

---

Brett Sealy, Managing Partner

Accepted by:

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

---

Anthony Iorio, Chair, Board of Supervisors

**EXHIBIT A**  
**AMOUNTS, INTEREST RATES, MATURITIES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS\***

[TO COME]

**REDEMPTION PROVISIONS FOR THE SERIES 2023 BONDS**

[TO COME]

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\* The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Bond Purchase Agreement.

**EXHIBIT B  
DISCLOSURE STATEMENT**

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
(Osceola County, Florida)**

\$[-----]  
**Capital Improvement Revenue Bonds, Series 2023  
(2023 Assessment Area)**

[June --, 2023]

Lake Lizzie Community Development District  
Osceola County, Florida

Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced bonds (the "Bonds"), MBS Capital Markets, LLC (the "Underwriter"), having purchased the above-captioned Bonds pursuant to a Bond Purchase Agreement dated [June --, 2023 (the "Purchase Agreement") between the Underwriter and Lake Lizzie Community Development District (the "District"), makes the following disclosures in connection with the limited public offering and sale of the Bonds:

(a) The total underwriting discount paid to the Underwriter pursuant to the Purchase Agreement is \$\_\_\_\_\_ (\_\_\_%).

(b) The total amount of expenses estimated to be incurred by the Underwriter in connection with the issuance of the Bonds is \$\_\_\_\_\_. An itemization of these expenses is attached hereto as Schedule I.

(c) There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Bonds.

(d) The components of the Underwriter's discount are as follows:

	<u>Per \$1,000</u>		
Management Fee:	\$	or	\$
Takedown:			
Expenses:	_____		_____
	\$_____		\$



(e) There are no other fees, bonuses, or other compensation estimated to be paid by the Underwriter in connection with the Bonds to any person not regularly employed or retained by the Underwriter.

(f) The name and address of the Underwriter is set forth below:

MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789

We understand that you do not require any further disclosure from the Underwriter, pursuant to Section 218.385(6), Florida Statutes, as amended.

Very truly yours,

**MBS CAPITAL MARKETS, LLC**

---

Brett Sealy, Managing Partner

**SCHEDULE I**  
**ESTIMATED EXPENSES TO BE INCURRED BY UNDERWRITER**

Travel Expenses	\$
Communication	
Day Loan	
Clearance & Settlement Charges	
CUSIP / DTC	
Contingency	
<hr/>	<hr/>
Total	\$

**EXHIBIT C  
CERTIFICATE OF DISTRICT**

The undersigned, as Chair and Secretary, respectively, of the Board of Supervisors (the “Board”) of Lake Lizzie Community Development District (the “District”), a local unit of special-purpose government duly established and validly existing under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, as amended (the “Act”), hereby certify to MBS Capital Markets, LLC (the “Underwriter”) in satisfaction of Sections 8(c)(2) and 8(c)(4) of the Bond Purchase Agreement, dated [June --, 2023], with the District (the “Bond Purchase Agreement”) in connection with the issuance by the District of its \$[-----] Lake Lizzie Community Development District (Osceola County, Florida) Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the “Bonds”), as follows (terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the Bond Purchase Agreement):

1. Anthony Iorio is the duly appointed and acting Chair of, and George Flint is the duly appointed and acting Secretary to the Board, authorized by resolution of the Board pursuant to the Act to be custodian of all bonds, documents and papers filed with the District and the official seal of the District.

2. The following named persons are as of the date hereof the duly elected, qualified and acting members of the Board holding the office of appointment set forth opposite their names:

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Anthony Iorio <sup>†</sup>	Chair	November 2026
Doug Beasley <sup>†</sup>	Vice Chair	November 2026
Jason Lonas <sup>†</sup>	Assistant Secretary	November 2026
Thomas Franklin	Assistant Secretary	November 2024
Rocky Owen	Assistant Secretary	November 2024

<sup>†</sup> [Affiliates of Developer or related entities.]

3. Each of said persons since his or her appointment as aforesaid has been and now is the duly designated and qualified officer of the Board holding the office set forth opposite his or her name, if required to file an oath of office, has done so, and if legally required to give a bond or undertaking has filed such bond or undertaking, in form and amount required by law.

4. The seal, an impression of which appears below, was duly adopted by the District as its official seal and is the only legally adopted, proper and official seal of the District.

5. At duly called and held meetings of the Board on November 2, 2022, and [June 7, 2023], the Board duly adopted Resolution Nos. 2023-26 and 2023[--], respectively, true and correct copies of which are attached hereto (together, the “Bond Resolutions”), which Bond

Resolutions have not been amended, modified or repealed and remain in full force and effect on the date hereof.

6. At duly called and held meetings of the Board on November 2, 2022, November 2, 2022, February 1, 2023, and [July 5, 2023], the Board duly adopted Resolution Nos. 2023-24, 2023-25, 2023-34 and 2022-06, respectively, true and correct copies of which are attached hereto (collectively, the "Assessment Resolutions"), which Assessment Resolutions have not been amended, modified or repealed (except as otherwise stated in such Assessment Resolutions) and remain in full force and effect on the date hereof.

7. The above referenced meetings of the Board at which the Bond Resolutions and Assessment Resolutions were adopted were duly called in accordance with applicable law and at said meetings a quorum was present and acting throughout. All meetings of the Board at which the Board considered any matters related to the Bond Resolutions, the Assessment Resolutions, the Indenture, the Series 2023 Bonds or any documents related to the issuance of the Series 2023 Bonds have been open to the public ("Open Meetings") and held in accordance with the procedures required by Section 189.015 and Chapter 286, Florida Statutes. The Open Meetings were held for the necessary public purpose of considering matters related to the issuance of the Series 2023 Bonds and the levy of the Series 2023 Assessments. The Open Meetings were duly noticed in accordance with applicable State law in notices published in a newspaper of general circulation in Osceola County. Members of the public that attended the meetings were given the opportunity to comment.

8. The District has complied with the provisions of Chapters 170, 190 and 197, Florida Statutes, related to the imposition, levy, collection and enforcement of the Series 2023 Assessments.

9. Upon authentication and delivery of the Bonds, the District will not be in default in the performance of the terms and provisions of the Bond Resolutions, the Assessment Resolutions or the Indenture.

10. Each of the representations and warranties made by the District in the Bond Purchase Agreement is, to the best of our knowledge and belief, true and accurate on and as of this date.

11. The District has complied with all the agreements and satisfied all the conditions on its part to be complied with on or before the date hereof for delivery of the Bonds pursuant to the Bond Purchase Agreement, the Bond Resolutions, the Assessment Resolutions and the Indenture.

12. To the best of our knowledge, since the date of the Limited Offering Memorandum, no material and adverse change has occurred in the business, properties, other assets and financial position of the District or results of operations of the District; and to the best of our knowledge, the District has not, since the date of the Limited Offering Memorandum,

incurred any material liabilities other than as set forth in or contemplated by the Limited Offering Memorandum.

13. To the best of our knowledge, the statements appearing in the Limited Offering Memorandum did not as of its date and do not as of the date hereof contain an untrue statement of a material fact or omit to state a material fact required to be included therein or necessary in order to make the statements contained therein, in light of the circumstances in which they were made, not misleading; provided, however, that no representation is made with respect to information concerning The Depository Trust Company or its book-entry only system or concerning information in the Limited Offering Memorandum under the captions "SUITABILITY FOR INVESTMENT," "THE DISTRICT – District Manager and Other Consultants," "THE DEVELOPMENT," "THE DEVELOPER," "DESCRIPTION OF THE SERIES 2023 BONDS – Book-Entry Only System," "TAX MATTERS," "LITIGATION – The Developer," "CONTINUING DISCLOSURE" (as it relates to the Developer), and "UNDERWRITING." Subject to the foregoing limitations, nothing has come to our attention which would lead us to believe that the Limited Offering Memorandum, as of its date or as of the date hereof contained an untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary to make the statements therein, in light of the circumstances in which they were made not misleading.

14. Except as set forth in the Limited Offering Memorandum, no litigation or other proceedings are pending or, to the knowledge of the District threatened against the District in or before any agency, court or tribunal, state or federal, (a) restraining or enjoining or seeking to restrain or enjoin the issuance, sale, execution or delivery of any of the Bonds or the imposition, levy and collection of the Series 2023 Assessments or the pledge thereof to the payment of the principal of and premium, if any, and interest on the Bonds, (b) questioning or affecting the validity of any provision of the Bonds, the Bond Resolutions, the Assessment Resolutions, the Series 2023 Assessments or the Financing Documents, (c) questioning or affecting the validity of any of the proceedings or the authority for the authorization, sale, execution or delivery of the Bonds, (d) questioning or affecting the organization or existence of the District or the title of any of its officers to their respective offices or any powers of the District under the laws of the State of Florida, (e) contesting or affecting the Series 2023 Assessments or the Series 2023 Project, (f) contesting the accuracy or completeness of the Preliminary Limited Offering Memorandum or the Limited Offering Memorandum or any amendment or supplement thereto, (g) contesting the exclusion of interest on the Bonds from federal income taxation, or (h) contesting the exemption from taxation of the Bonds and the interest thereon under Florida law or the legality for investment therein.

15. To the best of our knowledge, the interest rates on the Bonds are in compliance with the requirements of Section 215.84(3), Florida Statutes.

IN WITNESS WHEREOF, we have hereunder set our hands this [--] day of [July], 2023.

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

---

Anthony Iorio, Chair, Board of Supervisors

---

George Flint, Secretary, Board of  
Supervisors

[SEAL]

**EXHIBIT D**  
**FORM OF DISTRICT COUNSEL OPINION**

[July --, 2023]

Lake Lizzie Community Development District  
Osceola County, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

U.S. Bank Trust Company, National Association, as Trustee  
Fort Lauderdale, Florida  
(solely for reliance upon Sections C.1. and C.3.)

Re:     \$[-----] Lake Lizzie Community Development District (Osceola County, Florida)  
          Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area)

Ladies and Gentlemen:

We serve as counsel to the Lake Lizzie Community Development District ("**District**"), a local unit of special purpose government established pursuant to the laws of the State of Florida, in connection with the sale by the District of its \$[-----] Lake Lizzie Community Development District (Osceola County, Florida) Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) ("**Bonds**"). This letter is delivered to you pursuant to Section 207 of the Master Indenture (defined below), Section 207 of the Supplemental Trust Indenture (defined below), and Section 8(c)(7) of the Bond Purchase Agreement (referenced below), and is effective as of the date written above. Each capitalized term not otherwise defined herein has the meaning given to it in the Indenture (defined herein).

**A. DOCUMENTS EXAMINED**

In rendering the opinions set forth below, we have examined and/or relied upon the following documents and have made such examination of law as we have deemed necessary or appropriate:

1. Ordinance No. 2022-18, enacted by the County Commission of Osceola County, Florida, and effective as of October 17, 2022 ("**Establishment Ordinance**");
2. the Master Trust Indenture, dated as of [July 1, 2023] ("**Master Indenture**"), as supplemented by the First Supplemental Trust Indenture, dated as of [July 1, 2023] ("**Supplemental Trust Indenture**" and together with the Master Indenture, "**Indenture**"), each by and between the District and U.S. Bank Trust Company, National Association, as trustee ("**Trustee**");

3. Resolution Nos. 2023-26 and 2023-[--] adopted by the District on November 2, 2022 and [June 7, 2023], respectively (together, the "**Bond Resolution**");
4. the Amended and Restated Engineer's Report of the Lake Lizzie Community Development District, dated November 2, 2022, as updated May 31, 2023 (the "**Engineer's Report**"), which describes among other things, the "**Project**";
5. the Master Assessment Methodology for Lake Lizzie Community Development District, dated November 2, 2022, and the [Supplemental Assessment Methodology, dated [---- --, 2023]] (together, the "**Assessment Methodology**");
6. Resolution Nos. 2023-24 and 2023-25 adopted by the District on November 2, 2022, Resolution No. 2023-34 adopted by the District on February 1, 2023 and Resolution No. 2023-[--] adopted by the District on [July 5, 2023] (collectively, "**Assessment Resolution**"), establishing the debt service special assessments ("**Debt Assessments**") securing the Bonds;
7. the Final Judgment issued on March 20, 2023, by the Circuit Court for the Ninth Judicial Circuit in and for Osceola County, Florida in Case No. 2022-CA-003182-OC, and Certificate of No Appeal issued on April 20, 2023;
8. the Preliminary Limited Offering Memorandum dated [June --, 2023] ("**PLOM**") and Limited Offering Memorandum dated [June --, 2023] ("**LOM**");
9. certain certifications by MBS Capital Markets, LLC ("**Underwriter**"), as underwriter to the sale of the Bonds;
10. certain certifications of Hanson, Walter & Associates, Inc., as "**Consulting Engineer**";
11. certain certifications of Hanover Tyson, LLC, as "**Developer**";
12. certain certifications of Governmental Management Services – Central Florida, LLC, as "**District Manager**" and of Governmental Management Services – Central Florida, LLC, as "**Assessment Consultant**";
13. general and closing certificate of the District;
14. an opinion of Nabors, Giblin & Nickerson, P.A. ("**Bond Counsel**") issued to the District in connection with the sale and issuance of the Bonds;
15. an opinion of Aponte & Associates, P.L.L.C ("**Trustee Counsel**") issued to the District and Underwriter in connection with the sale and issuance of the Bonds;
16. an opinion of Developer's in house counsel ("**Developer's Counsel**") issued to the District and the Underwriter in connection with the sale and issuance of the Bonds;
17. the following agreements ("**Bond Agreements**"):
  - (a) the Bond Purchase Agreement between the Underwriter and the District, and dated [June --, 2023] ("**BPC**");
  - (b) the Continuing Disclosure Agreement among the District, the Developer, and Governmental Management Services – Central Florida, LLC, as dissemination agent, and dated July --, 2023];
  - (c) the [Collateral Assignment and Assumption of Development and Contract Rights] between the District and the Developer, and dated July --, 2023];
  - (d) the [Agreement Regarding the Completion of Certain Improvements] between the District and the Developer, and dated July --, 2023];



- (e) the [Agreement Regarding the True Up and Payment of Special Assessments (Series 2023 Bonds)] between the District and the Developer, and dated [July - -, 2023]; and
  - (f) the [Agreement Regarding the Acquisition of Work Product, Improvements and Real Property] between the District and the Developer, and dated [July -- , 2023];
18. a Declaration of Consent to Jurisdiction of the District and to Imposition of Special Assessments (Series 2023 Bonds) executed by the Developer, and dated [July --, 2023];
  19. such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below.

We have also attended various meetings of the District and have participated in conferences from time to time with representatives of the District, the Consulting Engineer, the District Manager, the Assessment Consultant, the Financial Advisor, Bond Counsel, the Underwriter, counsel to the Underwriter, the Developer, Developer's Counsel, and others relative to the LOM and the related documents described herein.

## **B. RELIANCE**

This opinion is solely for the benefit of the (i) District; (ii) Underwriter; and (iii) Trustee; however, the Trustee may only rely on this opinion for the limited purposes of the opinions stated in Sections C.1 and C.3. This opinion may not be relied on by any other party or for any other purpose without our prior written consent. Notwithstanding the foregoing, no attorney-client relationship has existed or exists between the undersigned and the Underwriter or Trustee in connection with the Bonds by virtue of this opinion.

## **C. OPINIONS**

Based on the foregoing, and subject to the qualifications and assumptions set forth herein, we are of the opinion that:

1. **Authority** – Under the Florida Constitution and laws of the State, the District has been duly established and validly exists as a local unit of special purpose government and a community development district under Chapter 190, Florida Statutes (“**Act**”), with such powers as set forth in the Act, and with good, right and lawful authority: (a) to enter into and to consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Indenture, the Bonds and the Bond Agreements; (b) to issue the Bonds for the purposes for which they are issued; (c) to impose, levy, collect and enforce the Debt Assessments and pledge the Series 2023 Trust Estate to secure the Bonds as provided in the Indenture; (d) to adopt the Bond Resolution and the Assessment Resolution; and (e) to perform its obligations under the terms and conditions of the Bond Resolution, the Assessment Resolution, the Bond Agreements, the Bonds and the Indenture.

2. **Assessments** – The proceedings by the District with respect to the Debt Assessments have been in accordance with Florida law. The District has taken all action necessary to authorize and execute the Assessment Resolution and to levy and impose the Debt Assessments as set forth in the Assessment Resolution, Assessment Methodology, and/or other applicable documents. The Debt Assessments constitute legal, valid, binding and enforceable first liens upon the property against which such Debt Assessments are assessed, co-equal with the lien of all state, county, district and municipal taxes and assessments, and superior in dignity to all other liens, titles and claims, until paid.

3. **Agreements** – The (a) Bond Resolution, (b) Bonds, (c) Indenture, and (d) Bond Agreements (assuming due authorization, execution and delivery of documents (b) – (d) listed herein by any parties thereto other than the District) have been duly and validly authorized, executed and delivered by the District, have been duly approved and adopted and/or issued by the District, are in full force and effect, constitute legal, valid and binding obligations of the District, and are enforceable against the District in accordance with their respective terms. All conditions prescribed in the Indenture as precedent to the issuance of the Bonds have been fulfilled.

4. **Validation** – The Bonds have been validated by a final judgment of the Circuit Court for the Ninth Judicial Circuit in and for Osceola County, Florida, of which no timely appeal was filed.

5. **Governmental Approvals** – As of the date hereof, all necessary consents, approvals, waivers or other actions by or filings with any governmental authority or other entity that are required for: (a) the adoption of the Bond Resolution and the Assessment Resolution; (b) the issuance, sale, execution and delivery of the Bonds upon the terms set forth in the BPC, PLOM, and LOM; (c) the execution and delivery of the Indenture and Bond Agreements; and (d) the performance by the District of the transactions required hereby, have been duly obtained or made and are in full force and effect.

6. **PLOM and LOM** – The District has duly authorized the execution, delivery and distribution by the Underwriter of the PLOM and LOM. To our knowledge, and based upon our review of the PLOM and LOM and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the PLOM and LOM, and as of the date of their respective issuances, and with respect to the PLOM, the date of the BPC, and with respect to the LOM, the date hereof, nothing has come to our attention which would lead us to believe that the PLOM and LOM contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading, provided however that the opinions stated herein extend only to the following provisions of the PLOM and LOM: “THE DISTRICT” (excluding the subcaption, - “District Manager and Other Consultants,”) “SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS – Agreement for Assignment of Development Rights, Completion Agreement, and True-Up Agreement,” “ENFORCEMENT OF ASSESSMENT COLLECTIONS,” “VALIDATION,” “LITIGATION – the District,” “AGREEMENT BY THE

STATE,” and “CONTINUING DISCLOSURE” (as it relates to the District only), and further provided however that the opinions stated herein do not extend to any statements that constitute descriptions of the Bonds or the Indenture. No information or opinion is offered as to any remaining provisions of the PLOM or LOM.

7. ***Litigation*** – Based on inquiry of the District's Registered Agent for service of process and the fact that we have not been served with notice, there is no litigation pending or, to the best of our knowledge, threatened against the District: (a) seeking to restrain or enjoin the issuance or delivery of the Bonds or the application of the proceeds thereof, or the imposition, levy or collection of the Debt Assessments or the Series 2023 Trust Estate pledged for the payment of the debt service on the Bonds; (b) contesting or affecting the authority for the Debt Assessments, the authority for the issuance of the Bonds or the validity or enforceability of the Bonds, the Indenture, the Bond Agreements or the transactions contemplated thereunder; (c) contesting or affecting the establishment or existence of the District or any of its Supervisors, officers or employees, its assets, property or condition, financial or otherwise, or contesting or affecting any of the powers of the District, including its power to enter into the Indenture or the Bond Agreements, or its power to determine, assess, levy, collect and pledge the Debt Assessments for the payment of the debt service on the Bonds; or (d) specifically contesting the exclusion from federal gross income of interest on the Bonds.

8. ***Compliance with Laws*** – To the best of our knowledge, the District is not, in any manner material to the issuance of the Bonds or the Debt Assessments, in breach of or default under any applicable provision of the Act or constitutional provision, statute, or administrative regulation of the State of Florida, or any applicable judgment or decree, any loan agreement, indenture, bond, note, resolution, agreement (including the Bond Agreements and Indenture), or any other material instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, and to the best of our knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or event of default by the District under any such instrument; provided, however, that no opinion is expressed as to compliance with any state or federal tax or securities laws.

9. ***Authority to Undertake the Project*** – Based on certificates of the Consulting Engineer and the Developer and an opinion of Developer's Counsel, the District has good right and lawful authority under the Act to undertake the Project being financed with the proceeds of the Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date hereof, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to undertake the Project.

#### **D. CERTAIN ASSUMPTIONS**

In rendering the foregoing opinions, we have assumed the following: (1) that all public records, certifications, agreements and other documents examined by us that have been executed or certified by public officials acting within the scope of their official capacities are authentic,

truthful and accurate; (2) that copies of such public records, certifications, agreements, and other documents furnished to us are authentic and conform to the originals; (3) that all signatures on executed public records, certifications, agreements and other documents are genuine; and (4) that all public records, certifications, agreements and other documents have been properly authorized and are binding on each of the other parties thereto. Such assumptions do not apply to District documents.

#### **E. CERTAIN QUALIFICATIONS**

The foregoing opinions are subject to the following qualifications:

1. The opinions or statements expressed above are based solely on the laws of Florida in effect at the time of issuance of the Bonds. Accordingly, we express no opinion nor make any statement regarding the effect or application of the laws of the federal government (including but not limited to the Internal Revenue Code or any proposed changes thereto), or any other state or other jurisdiction.

2. Our opinion as to enforceability of any document is subject to limitations imposed by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt, or similar laws, relating to or affecting creditors' rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and to the exercise of judicial discretion in appropriate cases, including the fact that specific performance and other equitable remedies are granted only in the discretion of a court.

3. Nothing herein shall be construed as an opinion regarding the possible applicability of state securities or "blue sky" laws or federal securities laws, as to which no opinion is expressed.

4. We further express no opinion as to the necessity for an interest rate waiver under Florida law, or the applicability of any provision or section of the Internal Revenue Code.

5. We express no opinion and make no representations with regard to financial information or statistical data. We express no opinion as to compliance with any state or federal tax laws.

6. We have not reviewed, and therefore express no opinion, regarding any land use, real property or other related items, including but not limited to the Developer's ownership interest in any property within the District, and whether the Developer and/or any other landowner owns any of the real property subject to the recordable Bond Agreements and/or Declaration of Consent.

7. With respect to any of the opinions set forth in this letter which are based on or qualified by the phrase "to our knowledge," the words "to our knowledge" signify that, in the course of our representation of the District, no facts have come to our attention that would give

us actual knowledge that any such opinions or other matters are not accurate. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of any such facts, and no inference as to our knowledge of the existence of such facts should be drawn from the fact of our representation of the District.

8. The opinions set forth herein are based on factual representations made to us as of the date hereof. We assume no duty to update or supplement our opinions to reflect any facts or circumstances that may thereafter come to our attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, our opinions are not a guarantee of a particular result and are not binding on the courts or any other entity; rather, our opinions represent our professional judgment based on our review of existing law, and in reliance on the representations and covenants that we deem relevant to such opinions.

Very truly yours,

KUTAK ROCK LLP

---

For the Firm

**EXHIBIT E**  
**CERTIFICATE OF GOVERNMENTAL MANAGEMENT**  
**SERVICES – CENTRAL FLORIDA, LLC**

I, George Flint, Vice President of Governmental Management Services – Central Florida, LLC, do hereby certify to Lake Lizzie Community Development District (the “District”) and MBS Capital Markets, LLC (the “Underwriter”) in connection with the issuance, sale and delivery by the District on this date of its \$[-----] Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the “Bonds”), as follows (terms used and not otherwise defined herein shall have the meaning ascribed to such term in the Limited Offering Memorandum dated [June --, 2023] (the “Limited Offering Memorandum”) of the District relating to the Bonds):

1. Governmental Management Services – Central Florida, LLC has acted as District Manager and Methodology Consultant to the District in connection with the issuance of the Bonds and has been retained by the District to prepare the Master Assessment Methodology dated November 2, 2022 and the [Supplemental Assessment Methodology for the Series 2023 Bonds, dated [----- --, 2023]], comprising a part of the Series 2023 Assessment Proceedings (together, the “Report”);

2. The Series 2023 Project provides a special benefit to the properties assessed and the Series 2023 Assessments are fairly and reasonably allocated to the properties assessed and all resolutions required to be published by Florida law have been published in accordance with the requirements of Florida law;

3. The Series 2023 Assessments, as initially levied, and as may be reallocated from time to time as permitted by resolutions adopted by the District with respect to the Series 2023 Assessments, are sufficient to enable the District to pay the debt service on the Bonds through the final maturity thereof;

4. Governmental Management Services – Central Florida, LLC consents to the use of the Report included as Appendix B to the Limited Offering Memorandum;

5. Governmental Management Services – Central Florida, LLC consents to the references to the firm in the Limited Offering Memorandum;

6. The Report was prepared in accordance with all applicable provisions of Florida law;

7. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memorandum, as it relates to the District, the Series 2023 Project, or any information provided by us, and the Report, as of its date and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading;

8. The information contained in the Limited Offering Memorandum under the heading “ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS” is true and correct in all material respects and such information does not contain any untrue statement of a material fact or omit to state any fact necessary in order to make the statements therein, in light of the circumstances under which they were made not misleading;

9. Except as disclosed in the Limited Offering Memorandum, the firm knows of no material change in the matters described in the Report and is of the opinion that the considerations and assumptions used in compiling the Report are reasonable;

10. The information contained in the Report did not, and does not, contain any untrue statement of a material fact and did not, and does not, omit to state a material fact necessary to be stated therein in order to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

11. As District Manager and Registered Agent, we are not aware of any litigation pending or, to the best of our knowledge, threatened against the District restraining or enjoining the issuance, sale, execution or delivery of the Bonds, or in any way contesting or affecting the validity of the Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, or the pledge or application of any moneys or security provided for the payment of the Bonds, or the existence or powers of the District; and

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

**IN WITNESS WHEREOF**, the undersigned has set his hand this [--] day of [July], 2023.

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**

---

George Flint, Vice President

**EXHIBIT F**  
**FORM OF CERTIFICATE OF DEVELOPER**

Hanover Capital Partners, LLC, a Florida limited liability company (the “Developer”), does hereby certify, that:

1. This Certificate of the Developer is furnished pursuant to Section 8(c)(11) of the Bond Purchase Agreement dated [June --, 2023] (the “Purchase Agreement”) between Lake Lizzie Community Development District (the “District”) and MBS Capital Markets LLC (the “Underwriter”) relating to the sale by the District of its \$[-----] original aggregate principal amount of Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the “Bonds”). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Agreement.

2. The Developer is a corporation organized and existing under the laws of the State of Florida and is authorized to do business in the State of Florida.

3. Representatives of the Developer have provided information to the District to be used in connection with the offering by the District of its Bonds, pursuant to a Preliminary Limited Offering Memorandum dated [June --, 2023] (the “Preliminary Limited Offering Memorandum”), and a final Limited Offering Memorandum dated [June --, 2023] (the “Limited Offering Memorandum” and, together with the Preliminary Limited Offering Memorandum, the “Limited Offering Memoranda”).

4. The Developer has reviewed and approved the information contained in the Limited Offering Memoranda under the captions “THE DEVELOPMENT,” “THE DEVELOPER,” and “LITIGATION – The Developer” and with respect to the Developer and the Development (as defined in the Limited Offering Memoranda) under the captions “CONTINUING DISCLOSURE” and “BONDOWNERS’ RISKS” and warrants and represents that such information did not as of its respective date, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Developer is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

5. The Developer represents and warrants that it has complied with and will continue to comply with Chapters 190.009, Florida Statutes and 190.048, Florida Statutes, as amended.

6. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Developer which has not been disclosed in the Limited Offering Memoranda and/or in all other information provided by the Developer to the Underwriter or the District.



7. The Developer hereby consents to the levy of the Series 2023 Assessments on the lands in the 2023 Assessment Area owned by the Developer. The levy of the Series 2023 Assessments on the lands in the 2023 Assessment Area owned by the Developer will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Developer is a party or to which its property or assets are subject.

8. The Developer has not made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. The Developer has not indicated its consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

9. Other than as may be disclosed in the Limited Offering Memorandum, that portion of the District property securing Series 2023 Assessments for the Series 2023 Bonds is free and clear of any commercial mortgage encumbrance (i.e., non single-family home mortgages obtained by homeowners).

10. The Developer acknowledges that the Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2023 Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Bonds when due.

11. To the best of our knowledge, the Developer is not in default under any resolution, ordinance, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Developer is subject or by which the Developer or its properties are or may be bound, which would have a material adverse effect on the consummation of the transactions contemplated by the Financing Documents to which the Developer is a party or on the Development and is not delinquent in the payment of all ad valorem, federal and state taxes associated with the Development.

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or proceeding at law or in equity by or before any court or public board or body pending or, solely to the best of our knowledge, threatened against the Developer (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of the Financing Documents to which the Developer is a party and the Declaration of Consent, (b) contesting or affecting the validity or enforceability of the Financing Documents to which the Developer is a party, the Declaration of Consent, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, or (c) contesting or affecting the establishment or existence of the Developer, or of the Developer's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Developer.

13. To the best of our knowledge after due inquiry, the Developer is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) to the best of our knowledge, the Development is zoned and properly designated for its intended use, and (b) the Developer is not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Developer's ability to complete or cause the completion of development of the Development as described in the Limited Offering Memoranda.

14. The Developer acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2023 Assessments imposed on lands in the 2023 Assessment Area owned by the Developer within thirty (30) days following completion of the Series 2023 Project and acceptance thereof by the District.

15. The Developer is not insolvent and the Developer is not in default of any obligations to pay special assessments, except as disclosed in the Limited Offering Memoranda.

16. The current general development plans for the Development are as set forth in the Limited Offering Memorandum under the caption "THE DEVELOPMENT—Residential Land Use and Development Plan" and the status of sales activity and projected absorption is as set forth in the Limited Offering Memorandum under the captions "THE DEVELOPMENT – Development Status," "THE DEVELOPMENT—Builder Contracts", "THE DEVELOPMENT – Project Absorption" and "THE DEVELOPMENT – Home Construction/Sales Activity." The Developer is proceeding with all reasonable speed to develop the Development and to construct and to sell developed lots to homebuilders for construction of homes to be purchased by end users. As of the date hereof, the Developer does not reasonably expect that it will be required to make any payments under the True-Up Agreement.

Dated: [July --, 2023].

**HANOVER CAPITAL PARTNERS, LLC**, a  
Florida limited liability company

---

[Name], [Title]

**EXHIBIT G**  
**FORM OF OPINION OF COUNSEL TO DEVELOPER**

[July --, 2023]

Lake Lizzie Community Development District  
Osceola County, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re:     \$\_\_\_\_\_ Lake Lizzie Community Development District (Osceola County, Florida)  
          Capital Improvement Revenue Bonds, Series 2023 (the "Bonds")

Ladies and Gentlemen:

I am general counsel to Hanover Tyson, LLC, a Florida limited liability company (the "Developer"), in connection with its development of the Lake Lizzie Community Development District project located in Osceola County, Florida described in the Limited Offering Memorandum, dated [June --, 2023] (the "Limited Offering Memorandum"), relating to the above-referenced Bonds issued by the Lake Lizzie Community Development District (the "District"). As of the date of this opinion, the Developer is the owner of all of the lands within the District, as described in the Title Report (defined below) (the "Developer Lands"). Unless otherwise defined herein, capitalized terms used herein have the respective meanings assigned to such terms in the Bond Purchase Agreement, dated [June --, 2023] (the "Bond Purchase Agreement"), between the District and MBS Capital Markets, LLC (the "Underwriter"), or in the Master Trust Indenture, dated as of [July 1, 2023], as supplemented by a First Supplemental Trust Indenture dated as of [July 1, 2023], each by and between the District and U.S. Bank Trust Company, National Association, as trustee (together, the "Indenture").

In my capacity as general counsel to the Developer, I have examined and am familiar with the following documents (collectively, the "Developer Agreements"):

[LIST ALL TRANSACTION DOCUMENTS TO WHICH THE DEVELOPER IS A PARTY]

Also, I have examined the following organizational documents (collectively, the "Developer Organizational Documents"):

[LIST DEVELOPER ORGANIZATIONAL DOCUMENTS]

I have made such examination of laws as I have deemed necessary or appropriate in rendering the opinions set forth below. I have further relied upon certificates and representations made by the Developer, the Developer's representatives and the parties to this transaction described in the Limited Offering Memorandum.

The opinions hereinafter expressed are subject to the following qualifications:

- A. The enforceability of the Developer Agreements in accordance with their respective terms is subject to (i) the effect of any applicable bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium or other laws affecting creditors' rights and/or remedies generally, and (ii) general principles of equity, commercial reasonableness, and good faith which limit specific enforcement of, or indemnification provisions in the documents. The opinion as to enforceability of any document is, therefore, subject to limitations imposed by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt, or similar laws relating to or affecting creditors' rights and/or remedies generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), commercial reasonableness, good faith and the exercise of judicial discretion in appropriate cases.
- B. Certain rights and remedies contained in the Developer Agreements may be rendered ineffective, or limited, by applicable laws or judicial decisions governing such provisions, but such laws and judicial decisions do not, in my opinion, make the Developer Agreements inadequate for the practical realization of the benefits intended to be provided by the Developer Agreements.
- C. I have examined the originals or copies of such records of the Developer, certificates of public officials, the Developer's Organizational Documents, and such other agreements, instruments and documents that I have deemed necessary as a basis for the opinions hereinafter expressed.
- D. In rendering the opinions hereinafter expressed, I have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by me that have been executed or certified by the public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof.
- E. In rendering this opinion, I have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies, and the legal capacity of all natural persons.
- F. Except for the Developer, I have assumed that each other party to the Developer

Agreements has the requisite power and authority to enter into and perform its respective obligations under the Developer Agreements and has duly authorized and executed and delivered the respective Developer Agreements, and that such Developer Agreements are valid, binding and enforceable against such other parties.

- G. I have assumed that the Developer Agreements reviewed by me contain the entire agreement of the parties with respect to the subject matter thereof. Based upon inquiry of the Developer, I understand that there are no other oral or written agreements between the parties that would modify the Developer Agreements.
- H. As to any fact relevant to this opinion, I have relied solely upon representations of the Developer. Except to the extent expressly set forth herein, I have not undertaken any independent investigation to determine the existence or absence of any such facts, and no inference as to my knowledge of the existence of such facts should be drawn from the fact of my representation of the Developer. Whenever an opinion herein with respect to the existence or absence of facts is indicated to be based upon my knowledge or awareness, it is intended to signify that during the course of my representation of the Developer as herein described, no information has come to my attention which would give me actual knowledge of the existence or absence of such facts.
- I. The opinions expressed herein relate solely to Florida and federal law, as now existing. I express no opinion with regard to any matters which may be, or which purport to be, governed by the laws of any other state or jurisdiction.
- J. Nothing herein shall be construed as an opinion regarding the possible applicability of federal or state securities or "blue sky" laws, as to which no opinion is expressed.
- K. I exclude from this opinion letter an opinion as to the applicability or effect of any federal or state taxes, including income taxes, sales taxes and franchise fees.
- L. I express no opinions other than those specifically set forth herein and no other opinions may be considered implied or inferred hereby.

Based upon the foregoing, and subject to the qualifications set forth herein, I am of the opinion that:

1. The Developer is a limited liability company, duly organized and validly existing under the laws of the State of Florida and authorized to do business in the State of Florida.
2. The Developer has the power and authority to conduct its business and to undertake the Development as described in the Limited Offering Memorandum.
3. The execution, delivery and performance by the Developer of the Developer Agreements are within the powers of the Developer and have been duly authorized by all required company action. The Developer Agreements are the legal, valid and binding obligations

of the Developer, enforceable in accordance with their respective terms (except to the extent that the enforceability of the rights and remedies set forth therein may be limited by bankruptcy, insolvency, and similar laws affecting creditors' rights generally and general principles of equity) and do not violate the Developer Organizational Documents. To the best of my knowledge, each of the Developer Agreements is in full force and effect as of the date hereof and no event has occurred which, with the passage of time or giving of notice or both, would constitute an event of default thereunder.

4. Based on a review of that certain [insert name of title report] by [insert name of title company] dated [----- --, ----] (the "Title Report"), with respect to the Developer Lands, and without independent inquiry, title to the Developer Lands is held in fee simple by the Developer and is subject only to the liens, encumbrances, easements and agreements set forth in such title insurance policy, none of which will impede in any material respect the development of the Development as described in the Limited Offering Memorandum or the development of the master and subdivision specific infrastructure needed for the Development. The opinion in this paragraph is given as of the date of such updated title insurance policy, and I disclaim any obligation to advise you of any change which thereafter may have been brought to my attention. There are no mortgages on the lands in the District other than those disclosed in the Limited Offering Memorandum.

5. The levy of the Series 2023 Assessments on the 2023 Assessment Area to secure the Bonds to be issued by the District to finance the Series 2023 Project will not conflict with or constitute a breach of or default under any agreement, indenture or other instrument to which the Developer is a party or to which its property or assets is subject.

6. There is no litigation pending or, to my knowledge, threatened which would prevent or prohibit the Developer from fulfilling its obligations under the Developer Agreements or to development of the Development in accordance with the description thereof in the Limited Offering Memorandum or the development of the [Series 2023 Project] described in the Limited Offering Memorandum and the Consulting Engineer's report annexed thereto as Appendix A.

7. The Developer has not made an assignment for the benefit of creditors, filed a petition in bankruptcy, petitioned or applied to any tribunal for the appointment of a custodian, receiver or any trustee or commenced any proceeding under any bankruptcy, reorganization, arrangement, readjustment of debt, dissolution or liquidation law or statute of any jurisdiction. The Developer has not indicated its consent to, or approval of, or failed to object timely to, any petition in bankruptcy, application or proceeding or order for relief or the appointment of a custodian, receiver or any trustee.

8. The Developer is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets is subject, which default would have a material adverse effect on the Bonds or the Development.

9. The information contained in the Limited Offering Memorandum under the captions "THE DEVELOPMENT," "THE DEVELOPER," "LITIGATION – The Developer" and "CONTINUING DISCLOSURE" related to the Developer does not contain an untrue statement of a material fact or omit to state any material fact necessary to make the statements made therein,

in light of the circumstances under which they were made, not misleading as of the date of the Limited Offering Memorandum and as of the date hereof.

10. Based on my review of [-----], I am of the opinion that the Development is zoned and properly designated in the [Comprehensive Plan] for its intended use. Except as disclosed in the Limited Offering Memorandum, to my actual knowledge, there is no default by the Developer of any zoning condition, permit or development agreement which would adversely affect the Developer's ability to complete development of the Series 2023 Project or the Development as described in the Limited Offering Memorandum and all Appendices.

11. Based upon my review of the published Osceola County tax records, all 2022 and prior years taxes relating to the Developer Lands have been paid and there are no real estate taxes currently due which are unpaid.

Very truly yours,

**EXHIBIT H**  
**CERTIFICATE OF ISSUER'S CONSULTING ENGINEER**

[July --, 2023]

Board of Supervisors  
Lake Lizzie Community Development District  
Osceola County, Florida

MBS Capital Markets, LLC  
Winter Park, Florida

Re: Lake Lizzie Community Development District Capital Improvement  
Revenue Bonds, Series 2023 (2023 Assessment Area) (the "Bonds")

Ladies and Gentlemen:

The undersigned serves as the Consulting Engineer to the Lake Lizzie Community Development District (the "District"). This Certificate is furnished pursuant to Section 8(c)(12) of the Bond Purchase Agreement dated [June --, 2023] between the District and MBS Capital Markets, LLC (the "Bond Purchase Agreement") relating to the sale of the Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Agreement or in the Limited Offering Memorandum dated [June --, 2023] relating to the Bonds (the "Limited Offering Memorandum").

1. Hanson, Walters & Associates, Inc. (the "Firm") has been retained by the District to serve as the Consulting Engineer and to prepare the Amended and Restated Engineer's Report of the Lake Lizzie Community Development District dated November 2, 2022, as updated May 31, 2023 (the "Report") included as an appendix to the Limited Offering Memorandum. Consent is hereby given to the references to the Firm and the Report in the Limited Offering Memorandum and to the inclusion of the Report as an appendix to the Limited Offering Memorandum.

2. The Report was prepared in accordance with generally accepted engineering practices. It is our professional opinion that the Capital Improvement Program ("CIP") and the Series 2023 Project, as defined in the Report, is feasible and that the cost estimates contained therein are reasonable and represent the estimated actual cost of construction of the improvements and work product. Further, the CIP, which includes the Series 2023 Project, represents a system of improvements benefitting all lands within the District. The Series 2023 Project provides sufficient benefit to support the Series 2023 Assessments levied on the properties subject to the Series 2023 Assessments.



3. In connection with the preparation of the Report personnel of the Firm participated in meetings with representatives of the District and its counsel, Bond Counsel, the Underwriter and its counsel and others in regard to the Series 2023 Project. The Series 2023 Project consists solely of infrastructure and other improvements set forth in the Act. Nothing has come to the attention of the Firm in relation to our engagement as described in this paragraph which would cause us to believe that the Report was, as of its date, or is as of the date hereof, or any of the statements in the Limited Offering Memorandum specifically attributed to the Firm were, as of the date of the Limited Offering Memorandum, or are as of the date hereof, inaccurate in any material respect.

4. The information contained in the Limited Offering Memorandum under the heading "THE CAPITAL IMPROVEMENT PROGRAM AND SERIES 2023 PROJECT" and in Appendix "A" to the Limited Offering Memorandum are accurate statements and fairly present the information purported to be shown, and nothing has come to the attention of the Firm that would lead it to believe that such section and appendix contain an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make such statements, in light of the circumstances in which they were made, not misleading.

5. Except as described in the Report, all permits, consents or licenses, and all notices to or filings with governmental agencies necessary for the construction and acquisition of the Series 2023 Project as described in the Limited Offering Memorandum required to be obtained or made have been obtained or made or it is reasonable to believe that they will be obtained or made when required. There is no reason to believe that any permits, consents, licenses or governmental approvals required to complete any portion of the Series 2023 Project as described in the Limited Offering Memorandum will not be obtained as required. There is no reason to believe that the necessary water and sewer capacity will not be available when needed to permit the development of the Development as described in the Limited Offering Memorandum.

**HANSON, WALTER & ASSOCIATES,  
INC.**

---

[Name], [Title]

**EXHIBIT I  
FORM OF ISSUE PRICE CERTIFICATE**

[\$-----]

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
(OSCEOLA COUNTY, FLORIDA)**

**CAPITAL IMPROVEMENT REVENUE BONDS, SERIES 2023  
(2023 ASSESSMENT AREA)**

The undersigned, on behalf of MBS CAPITAL MARKETS, LLC (“MBS”), hereby certifies as set forth below with respect to the sale and issuance of the above-captioned obligations (the “Bonds”).

1. ***Sale of the Bonds.*** As of the date of this certificate, for each Maturity of the Bonds, the first price at which at least 10% of such Maturity of the Bonds was sold to the Public is the respective price listed in Schedule A.

2. ***Defined Terms.***

(a) *Issuer* means Lake Lizzie Community Development District.

(b) *Maturity* means Bonds with the same credit and payment terms. Bonds with different maturity dates, or Bonds with the same maturity date but different stated interest rates, are treated as separate maturities.

(c) *Public* means any person (including an individual, trust, estate, partnership, association, company, or corporation) other than an Underwriter or a related party to an Underwriter. The term “related party” for purposes of this certificate generally means any two or more persons who have greater than 50 percent common ownership, directly or indirectly.

(d) *Sale Date* means the first day on which there is a binding contract in writing for the sale of a Maturity of the Bonds. The Sale Date of the Bonds is [June --, 2023].

(e) *Underwriter* means (i) any person that agrees pursuant to a written contract with the Issuer (or with the lead underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the Public, and (ii) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (i) of this paragraph to participate in the initial sale of the Bonds to the Public (including a member of a selling group or a party to a retail distribution agreement participating in the initial sale of the Bonds to the Public).

3. **Reserve Account.** The requirement that the Series 2023 Reserve Account be funded in the amount of the initial Series 2023 Reserve Account Requirement is necessary and a vital factor in marketing the Bonds and in obtaining the interest rates obtained which rates are comparable to that for other bonds issued of the same character priced on the same date.

The representations set forth in this certificate are limited to factual matters only. Nothing in this certificate represents MBS' interpretation of any laws, including specifically Sections 103 and 148 of the Internal Revenue Code of 1986, as amended, and the Treasury Regulations thereunder. The undersigned understands that the foregoing information will be relied upon by the Issuer with respect to certain of the representations set forth in the Tax Certificate and with respect to compliance with the federal income tax rules affecting the Bonds, and by Bond Counsel in connection with rendering its opinion that the interest on the Bonds is excluded from gross income for federal income tax purposes, the preparation of Internal Revenue Service Form 8038-G, and other federal income tax advice it may give to the Issuer from time to time relating to the Bonds.

**MBS CAPITAL MARKETS, LLC**

---

Brett Sealy, Managing Partner

Dated: [July --, 2023]

**SCHEDULE A  
SALE PRICES OF THE BONDS**

**AMOUNTS, INTEREST RATES, MATURITIES, YIELDS AND PRICES**

[TO COME]

# SECTION 3

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**MASTER TRUST INDENTURE**

**BETWEEN**

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**

**AND**

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

**Dated as of July 1, 2023**

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EXHIBIT A – FORM OF REQUISITION

## **MASTER TRUST INDENTURE**

**THIS MASTER TRUST INDENTURE** is dated as of July 1, 2023, between **LAKE LIZZIE COMMUNITY DEVELOPMENT 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 TRUST COMPANY, NATIONAL ASSOCIATION**, as trustee (the "Trustee"), a national banking association and having the authority to exercise corporate trust powers, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309, Attention: Corporate Trust Department.

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

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

**WHEREAS**, additionally, the District has the power and authority under the Act to levy and collect Benefit Special Assessments (hereinafter defined) and Operation and Maintenance 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 (hereinafter defined) is and will be necessary and desirable in serving the District's goal of properly managing the acquisition, construction, installation and operation of portions of the infrastructure within and without the boundaries of the District; and

**WHEREAS**, the execution and delivery of the Bonds (hereinafter defined) and of this Master Indenture (hereinafter defined) have been duly authorized by the Governing Body (hereinafter defined) 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 by the Owners (hereinafter defined), and of the sum of ten dollars (\$10.00), lawful money of the United States of America, to it duly paid by the Trustee at or before the execution and delivery of this Master Indenture, and for other good and valuable consideration, the receipt of which is hereby acknowledged, in order to secure the payment of the principal of, premium, if any, and interest on the Bonds of a Series (hereinafter defined) issued hereunder according to their tenor and effect and to secure the performance and observance by the District of all of the covenants expressed or implied herein, in the Supplemental Indenture authorizing the issuance of such Series of Bonds and in the Bonds of such Series, does hereby assign and grant a security interest in the following (herein called the "Trust Estate") to the Trustee and its successors in trust, and assigns forever, for the securing of the performance of the obligations of the District herein set forth: (a) the Pledged Revenues (hereinafter defined) and Pledged Funds (hereinafter defined); and (b) 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 (hereinafter 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** that (a) 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) the Trust Estate shall immediately be subject to the lien of this pledge and assignment without any physical delivery thereof or further act, (c) 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) the Bonds of a Series are to be issued, authenticated and delivered, and 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 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 or pursuant to a Supplemental Indenture, except the Series Rebate Account within the Rebate Fund.

**"Accreted Value"** shall mean, as of the date of computation with respect to any Capital Appreciation Bonds, an amount (truncated to three (3) decimal places)

equal to the original principal amount of such Capital Appreciation Bonds at the date of issuance plus the interest accrued on such Capital Appreciation 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 Capital Appreciation Bond as of such date shall be the amount determined by compounding the Accreted Value of such Capital Appreciation 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 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) 180. A table of Accreted Values for the Capital Appreciation Bonds shall be incorporated in a Supplemental Indenture executed by the District upon issuance of any Capital Appreciation Bonds.

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

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

***"Additional Bonds"*** shall mean Bonds ranking on a parity with a Series of Bonds issued under a Supplemental Indenture, provided that such Supplemental Indenture allows for the issuance of parity Bonds.

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

***"Assessments"*** shall mean all assessments levied and collected by or on behalf of the District pursuant to Section 190.022 of the Act, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170, Florida Statutes, 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 DTC 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 190.021(2) of the Act, 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 bond anticipation notes issued pursuant to a Supplemental Indenture in anticipation of the sale of an authorized Series of Bonds and in a principal amount not exceeding the principal amount of such anticipated Series of Bonds.

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

**"Bond Registrar"** 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 registration books of the District reflecting the names, addresses, and other identifying information of the 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 the Series Project to be funded by such Series of Bonds, all or part of such interest which will be paid, or is expected to be paid, from the proceeds of such Series of Bonds.

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

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

**"Cost"** or **"Costs"** as applied to a 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 Facility" 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 Facility 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 shall mean: (a) 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 (b) 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, Benefit Special Assessments or Operation and Maintenance Assessments, as applicable within the context in which such reference is made, which are billed directly by the District rather than collected on the tax bill using the Uniform Method.

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

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

**"Engineer's Certificate"** shall mean a certificate of the Consulting Engineer 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.

**"Event of Default"** shall mean any of the events described in Section 902 hereof.

**"Federal Securities"** shall mean, to the extent permitted by law for investment as contemplated in this Master Indenture and any Supplemental Indenture, (a) Government Obligations, (b) 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, (c) certificates of ownership of the principal or interest of Government Obligations, which Government Obligations are held in trust, and (d) investment agreements at least one hundred percent (100%) collateralized by obligations described in clauses (a), (b) or (c) above.

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

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

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

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

**"Indenture"** shall mean this Master Indenture, as amended and supplemented from time to time by a Supplemental Indenture or 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 for the authorization of Bond Anticipation Notes or Bonds, any of the following securities, if and to the extent that such securities are legal investments for funds of the District;

(a) Government Obligations;

(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government-sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(c) Direct and general obligations of any state of the United States, 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;

(d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P;

(e) Bank or broker repurchase agreements fully secured by securities specified in (a) or (b) 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;

(f) 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;

(g) Any short-term government fund or any money market fund whose assets consist of (a), (b) and (c) above;

(h) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P;

(i) 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;

(j) Obligations of any state of the United States of America or any political subdivision, public instrumentality or public authority of any such state which are not subject to redemption prior to the date on which the proceeds attributable to the principal of such obligations are to be used and which are fully secured by and payable solely from non-callable Government Obligations held pursuant to an escrow agreement; and

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

Under all circumstances, the Trustee shall be entitled to rely on the direction of an Authorized Officer that any investment directed by the District is permitted under the Indenture and is a legal investment for funds of the District.

**"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 the Bonds of a Series 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.

**"Operation and Maintenance Assessments"** shall mean assessments described in Section 190.021(3) 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:

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

(b) 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;

(c) 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

(d) 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 hereof.

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

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

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

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

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

**"Property Appraiser"** shall mean the Property Appraiser of Osceola 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 Bonds then Outstanding.

**"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.

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

**"S&P"** shall mean S&P Global Ratings, a business unit of Standard & Poor's Financial Services LLC, a limited liability company organized and existing under the laws of the State of Delaware, its successors and assigns, and, if such entity 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 a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

**"Series Capitalized Interest Account"** shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

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

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

**"Series Interest Account"** shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

**"Series Optional Redemption Subaccount"** shall mean the subaccount within a Series Redemption Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

**"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 Prepayment Subaccount"** shall mean the subaccount within a Series Redemption Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

**"Series Principal Account"** shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

**"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.



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

**"Series Redemption Account"** shall mean the account within a Series Debt Service Account with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

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

**"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 a 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) the Maximum Annual Debt Service Requirement for all Bonds of such Series then Outstanding, (b) 125% of the average annual debt service for all Bonds of such Series then Outstanding, or (c) the aggregate of ten percent (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 (y) 110% of the daily average interest rate on such Variable Rate Bonds during the twelve (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 (z) 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 account within the Revenue Fund with respect to a Series of Bonds so designated in, and created pursuant to, a Supplemental Indenture.

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

**"Series Trust Estate"** shall mean the Trust Estate for a Series of Bonds established by Supplemental Indenture for such Series of Bonds.

**"State"** shall mean the State of Florida.

**"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.

**"Tax Collector"** shall mean the Tax Collector of Osceola 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.

**"Tax Regulatory Covenants"** shall mean the covenants of the District necessary for the preservation of the excludability of interest thereon from gross income for federal income tax purposes, as such covenants shall be amended from time to time upon written instructions from Bond Counsel.

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

**"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 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 State 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 Trust Company, National Association with its designated office in Fort Lauderdale, 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 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.

**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 State law shall be deemed to include any and all amendments thereto.

## **ARTICLE II FORM, EXECUTION, DELIVERY AND DESIGNATION OF BONDS**

**Section 201. Issuance of Bonds.** For the purpose of providing funds for paying all or part of the Cost of a Series Project, Bonds of a Series, without limitation as to aggregate principal amount, may be issued under this Master Indenture subject to the conditions hereinafter provided in Section 207 hereof. Debt Service on each Series of Bonds shall be payable solely from the Pledged Revenues and Pledged Funds pledged to such Series of Bonds in the Supplemental Indenture authorizing the issuance of such Series of Bonds and, as may be provided in such Supplemental Indenture, all of the provisions of this Master Indenture shall be for the benefit and security of the present and future Owners of such Series of Bonds so issued, without preference, priority or distinction, as to lien or otherwise, of any one Bond of such Series over any other Bond of such Series. The District may also issue from time to time, Additional Bonds, Completion Bonds and Refunding Bonds of a Series under and pursuant to the terms of the Supplemental Indenture authorizing the issuance of such Series of Bonds.

**Section 202. Details of Bonds.** Bonds of a Series shall be in such denominations, numbered consecutively, shall bear interest from their date until their payment at rates not exceeding the maximum rate permitted by law, shall be dated, shall be stated to mature in such year or years in accordance with the Act, and shall be subject to redemption prior to their respective maturities, subject to the limitations hereinafter provided, as provided for in the Supplemental Indenture authorizing the issuance of such Series of Bonds. Bonds of a Series may be Current Interest Bonds, Variable Rate Bonds, Capital Appreciation Bonds, Option Bonds or any combination thereof and may be secured by a Credit Facility 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 Fort Lauderdale, Florida; provided, however, that presentation shall not be required if the Bonds are in book-entry only form. 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 in aggregate principal amount of the Bonds or, if less than such amount, all of the Bonds then Outstanding). Unless otherwise provided in the Supplemental Indenture authorizing a Series of Bonds, interest on a Series of Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

**Section 203. Execution and Form of Bonds.** The Bonds shall be signed by or bear the facsimile signature of the Chairman, shall be attested and countersigned by the Secretary, and the certificate of authentication appearing on the face of the Bonds shall be signed by 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 each Bond. In case any officer whose signature or a facsimile of whose signature appears

on any Bond shall cease to be such officer before the delivery of such Bond, such signature or such facsimile shall nevertheless be valid for all purposes the same as if he or she had remained in office until such delivery. Any Bond may bear the facsimile signature of, or may be signed by, such persons as at the actual time of the execution of such Bond shall be proper officers to execute such Bond although at the date of such Bond such persons may not have been such officers. The Bonds, and the provisions for registration and reconversion to be endorsed on such Bonds, shall be substantially in the form set forth in a Supplemental Indenture. The Trustee may appoint one or more authenticating agents.

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

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

**Section 206. Special Obligations.** Each Series of Bonds shall be a special 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 the State. 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.**

(a) 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 Series Project or Series Projects or refunding a Series of Bonds or any portion thereof then Outstanding; and

(ii) depositing the Series Reserve Account Requirement to the Series Reserve Account for such Series of Bonds.

(b) 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 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 Tax-Exempt 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 the initial purchasers.

Execution of a Series of Bonds by the District shall be conclusive evidence of satisfaction of the conditions precedent set forth in this Section 207(b) as to the District and payment to the Trustee of the initial purchase price for a Series of Bonds shall be conclusive evidence of satisfaction of the conditions precedent set forth in this Section 207(b) as to the underwriter of such Series of Bonds.

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 of the District.

(c) 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 Capitalized Interest Account;

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

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

**Section 208. Mutilated, Destroyed or Lost Bonds.** If any Bonds become mutilated, destroyed or lost, the District may cause to be executed and 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 209. Parity 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 on parity 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 210. 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 of Bonds. 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 Series 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 Capitalized 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.

**Section 211. Tax Status of Bonds.** Any Series of Bonds issued under this Master Indenture may be issued either as Tax-Exempt Bonds or Taxable Bonds. The intended tax status of any Series of Bonds to be issued may be referenced in any Supplemental Indenture authorizing the issuance of such Series of Bonds.

### **ARTICLE III REDEMPTION OF BONDS**

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

If it is determined that one or more, but not all, of the units of principal amount represented by any such Bond is to be called for redemption, then upon notice of intention to redeem such unit or units of principal amount as provided below, the registered Owner of such Bond, upon surrender of such Bond to the Paying Agent for payment to such registered Owner of the redemption price of the unit or units of principal amount called for redemption, shall be entitled to receive a new Bond or Bonds of such Series in the aggregate principal amount of the unredeemed balance of the principal amount of such Bond. New Bonds of such Series representing the unredeemed balance of the principal amount shall be issued to the Owner thereof without any charge therefor. If the Owner of any Bond of a denomination greater than the unit of principal amount to be redeemed shall fail to present such Bond to the Paying Agent for payment in exchange as aforesaid, such Bond shall, nevertheless, become due and payable on the date fixed for redemption to the extent of the unit or units of principal amount called for redemption.

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 of Bonds.

**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 to be redeemed. Except as otherwise provided herein, 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 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: (a) 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); (b) the CUSIP numbers of all Bonds being redeemed; (c) in the case of a partial redemption of Bonds, the principal amount of each Bond being redeemed; (d) the date of issue of each Bond as originally issued and the complete official name of the Bonds including the Series designation; (e) the rate or rates of interest borne by each Bond being redeemed; (f) the maturity date of each Bond being redeemed; (g) the place or places where amounts due upon such redemption will be payable; and (h) 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; provided, however, that such presentation shall not be required while such Bonds are registered in book-entry only format. CUSIP number identification with appropriate dollar amounts for each CUSIP number also shall accompany all redemption payments.

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

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

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

any, accrued thereon to the redemption date, and such Bonds shall no longer be deemed to be Outstanding.

**Section 304. Cancellation.** Bonds called for redemption shall be canceled upon the surrender thereof pursuant to the provisions of Section 511 hereof.

#### **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 there shall be deposited to the credit of the Series Acquisition and Construction Accounts 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 IV and in Article V hereof, and the District covenants that it will not request any sums to be paid from the Acquisition and Construction Fund except in accordance with such provisions and restrictions. Moneys in the Acquisition and Construction Fund shall be disbursed by check, voucher, order, draft, certificate or warrant signed by any one or more officers or employees of the Trustee legally authorized to sign such items or by wire transfer to an account specified by the payee upon satisfaction of the conditions for disbursement set forth in Section 503(b) hereof.

**Section 403. Cost of a Series Project.** For the purposes of this Master Indenture, the Cost of a 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 State law, or this Master Indenture, the following:

(a) ***Expenses of Bond Issuance.*** All expenses and fees relating to the issuance of the Bonds, including, but not limited to, initial Credit Facility or Liquidity Facility fees and costs, attorneys' fees, underwriting fees and discounts, the Trustee's acceptance fees and costs, 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.

(b) ***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 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, 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 Series Capitalized 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 Series Acquisition and Construction Account, together with earnings thereon, will be sufficient to pay for the remaining Costs of the related Series Project which are to be funded from such Series Acquisition and Construction Account.

(c) ***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 a Series Project or which are necessary or convenient to acquire, install and construct a 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.

(d) ***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 a Series Project, and including without limitation costs incident to the award of contracts.

(e) ***Other Professional Fees and Miscellaneous Expenses.***

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

(ii) Expenses of determining the feasibility or practicality of acquisition, construction, installation, or reconstruction of a Series Project.

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

(iv) Costs of improvements.

(v) Financing charges.

- (vi) Creation of initial reserve and debt service funds.
  - (vii) Working capital.
  - (viii) Amounts to repay Bond Anticipation Notes or loans made to finance any costs permitted under the Act.
  - (ix) 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.
  - (x) 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.
  - (xi) Expenses of management and supervision of a Series Project.
  - (xii) Costs of effecting compliance with any and all governmental permits relating to a Series Project.
  - (xiii) Payments, contributions, dedications, fair share or concurrency obligations and any other exactions as a condition to receive any government approval or permit necessary to accomplish any District purpose (including but not limited to impact fees, utility connection fees, school concurrency fees, etc.).
  - (xiv) Any other "cost" or expense as provided by the Act.
- (f) ***Refinancing Costs.*** All costs described in (a) through (e) 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 Prepayment Subaccount in the Series Redemption Account, or as otherwise provided in the Supplemental Indenture, and used for the purposes set forth for such Subaccount in the Supplemental Indenture relating to such Series of Bonds.

**ARTICLE V**  
**ESTABLISHMENT OF FUNDS AND APPLICATION THEREOF**

**Section 501. Lien.** There is hereby irrevocably pledged for the payment of the Bonds of each Series issued hereunder, subject only to the provisions of this Master Indenture and any Supplemental Indenture permitting the application thereof for the purposes and on the terms and conditions set forth in this Master Indenture and any such Supplemental Indenture with respect to each Series of Bonds, the Trust Estate; provided, however, that unless otherwise specifically provided herein or in a Supplemental Indenture relating to a Series of Bonds with respect to the Series 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.** The following funds 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 separate 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 of Bonds issued hereunder;

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

(i) a Series Debt Service Account, and therein a Series Interest Account, a Series Principal Account, a Series Sinking Fund Account and a Series Capitalized Interest Account, and

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

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 Accounts or dispense with the 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 Series Acquisition and Construction Account in the Acquisition and Construction Fund, as promptly as practicable, the following amounts received by it:

(i) the amount set forth in the Supplemental Indenture relating to such Series of Bonds;

(ii) 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;

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

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

(v) amounts received from impact fee credits and/or utility connection fee credits; and

(vi) such other amounts as may be provided in a Supplemental Indenture.

Amounts in such Series Acquisition and Construction Account shall be applied to the Cost of the Series Project.



(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 attached hereto, signed by an Authorized Officer.

Upon receipt of each such requisition and accompanying certificate, the Trustee shall promptly withdraw from the Series Acquisition and Construction Account and pay to the person, firm or corporation named in such requisition the amount designated in such requisition. The Trustee shall have no duty to investigate either the accuracy or validity of the items delivered pursuant to this Section 503(b) or whether such amount is properly payable hereunder or under the Supplemental Indenture for such Series of Bonds.

(c) **Inspection.** All requisitions and certificates received by the Trustee pursuant to this Article V 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 of a Series Project, the balance in the related Series 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. The Trustee shall have no duty to determine whether the Date of Completion has occurred and the Trustee shall not be deemed to have knowledge that the Date of Completion has occurred until the Trustee has received the certificate of the Consulting Engineer establishing such Date of Completion as specified in the definition of Date of Completion in Section 101 hereof.

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

**Section 505. Debt Service Fund.**

(a) ***Principal, Maturity Amount, Interest and Amortization Installments.*** Except as otherwise provided in a Supplemental Indenture, 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 related Series Interest Account, an amount which, together with other amounts, if any, then on deposit therein, will equal the amount of interest payable on the Bonds of such Series on such Interest Payment Date;

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

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

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

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

(vi) to 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, Series Sinking Fund 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 all Serial Bonds payable in such Bond Year, the Maturity Amount of all Capital Appreciation Bonds due in such Bond Year and the Amortization Installments required to be paid in such Bond Year, and (ii) any amounts remain in the Series Revenue Account on November 2 of such Bond Year, 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 Prepayment Subaccount of the Series Redemption Account. Upon the occurrence and continuance of an Event of Default hereunder, the foregoing transfer to the Series Prepayment Subaccount shall not be made.

(c) ***Series Reserve Account.*** Except as otherwise provided for herein or in a Supplemental Indenture, moneys held for the credit of a Series Reserve Account shall be used for the purpose of paying interest or principal or Amortization Installment or Maturity Amount on the Bonds of the related Series whenever amounts on deposit in the Series Debt Service Account shall be insufficient for such purpose.

(d) ***Series Debt Service Account.*** Moneys held for the credit of a Series Interest Account, Series Principal Account and Series Sinking Fund 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 Bonds of such Series, the Maturity Amount of Capital Appreciation Bonds of such Series and the Amortization Installments of Term Bonds of such Series, as the case may be.

(e) ***Series Redemption Account.*** Moneys representing Prepayments on deposit in a Series Prepayment Subaccount 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 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 hereof. 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 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 of Bonds to the aggregate principal amount of all Series of Bonds then 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 hereof. The District shall pay all expenses incurred by the Trustee and Paying Agent in connection with such redemption.

(b) ***Purchase of Bonds of a Series.*** The District may purchase Bonds of a Series then Outstanding at any time, whether or not such Bonds shall then be subject to redemption, at the most advantageous price obtainable with reasonable

diligence, having regard to maturity, option to redeem, rate and price, such price not to exceed the principal of such Bonds plus the amount of the premium, if any, which would be payable on the next redemption date to the Owners of such Bonds under the provisions of this Master Indenture and the Supplemental Indenture pursuant to which such Series of Bonds was issued if such Bonds were called for redemption on such date. Before making each such purchase, the District shall file with the Trustee a statement in writing directing the Trustee to pay the purchase price of the Bonds of such Series so purchased upon their delivery and cancellation, which statement shall set forth a description of such Bonds, the purchase price to be paid therefor, the name of the seller, and the place of delivery of the Bonds. The Trustee shall pay the interest accrued on such Bonds to the date of delivery thereof from the related Series Interest Account and the principal portion of the purchase price of Serial Bonds from the related Series Principal Account, but no such purchase shall be made after the Record Date in any Bond Year in which Bonds have been called for redemption. To the extent that insufficient moneys are on deposit in a related Series Interest Account to pay the accrued interest portion of the purchase price of any Bonds or in a related Series Principal Account to pay the principal amount of the purchase price of any Serial Bond, the Trustee shall transfer into such Accounts from the related Series Revenue Account sufficient moneys to pay such respective amounts. In the event that there are insufficient moneys on deposit in the related Series Sinking Fund 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 Sinking Fund 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 of the District to the Trustee accompanied by a certificate of an Authorized Officer: (A) stating that sufficient moneys are on deposit in the Series Redemption Account to pay the purchase price of such Bonds; (B) setting forth the amounts and maturities of Bonds of such Series which are to be redeemed from such amounts; and (C) containing cash flows which demonstrate that, after giving effect to the purchase of Bonds in the amounts and maturities set forth in clause (B) above, the Pledged Revenues to be received by the District in the current and each succeeding Bond Year will be sufficient to pay the principal, Maturity Amount and Amortization Installments of and interest on all Bonds of such Series. The Trustee may pay the principal portion of the purchase price of any Term Bonds from the related Series Sinking Fund 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 preceding sentence from amounts on deposit in the related Series Sinking Fund Account and the Trustee may transfer moneys from the related Series Revenue Account to the related Series Sinking Fund 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: (X) stating that sufficient moneys are on deposit in the Series Sinking Fund 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; (Y) 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 (Z) containing cash flows which demonstrate that, after giving effect to the purchase of Term Bonds in the amounts and having the maturities and with the credits against Amortization Installments set forth in clause (Y) 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 Series 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 Installments 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 Bonds.

#### **Section 507. Rebate Fund.**

(a) **Creation.** There is created and established by Section 502 hereof 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 507, the District shall pay, from any legally available source, the amount of any such deficiency to the United States as provided in paragraph (b) above. The Trustee shall have no duty to pay such deficiency 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 order to preserve the exclusion of interest on the Tax-Exempt 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 Accounts for such Series of Bonds shall be invested as hereinafter in this Section 508 provided.

(a) ***Series Acquisition and Construction Account, Series Revenue Account and Series Debt Service Account.*** Moneys held for the credit of a Series Acquisition and Construction Account, a Series Revenue Account, and a 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 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 valued at the market value or the amortized cost thereof, whichever is lower, or at the Redemption Price thereof, to the extent that any such obligation is then redeemable at the option of the holder. For the purpose of determining the amount on deposit to the credit of a Series Reserve Account, obligations in which money in such Account shall have been invested shall be valued at par, if purchased at par, or at amortized cost, if purchased at other than par, plus, in each case, accrued interest. Amortized cost, when used with respect to an obligation purchased at a 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 (i) in the case of an obligation purchased at a premium by deducting the product thus obtained from the purchase price, and (ii) 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 and Accounts.**

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

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

The Trustee, as of the close of business on the last Business Day in each Bond Year, after taking into account all payments and transfers made as of such date, shall compute, in the manner set forth in Section 508(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 Revenue Account, or as otherwise provided in the related Supplemental Indenture.

**Section 510. Investment Income.** Unless otherwise provided in a Supplemental Indenture, earnings on Investments in a Series Acquisition and Construction Account, a Series Interest Account, a Series Capitalized Interest Account and a Series Revenue Account shall be retained, as realized, to the credit of such Account and used for the purpose of such Account. Unless otherwise provided in a Supplemental Indenture, earnings on investments in the Funds and Accounts other than a Series Reserve Account and other than as set forth above shall be deposited, as realized, to the credit of such Series Revenue Account and used for the purpose of such Account.

Earnings on investments in a Series Reserve Account shall, unless otherwise 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 to the Series Revenue Account; or

(b) if there was a 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, or if after such date withdrawals have been made from the Series Reserve Account and have created such a deficiency, then earnings on investments in the Series Reserve Account shall be retained in 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 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 upon request of the District 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 VI, 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 whatsoever 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 State 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 other than moneys from a Credit Facility or Liquidity Facility. This Section 604 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 on deposit in all Series Funds and Accounts (other than the Rebate Fund) thereby, in effect, granting the Trustee a first charge against these moneys following an Event of Default for its fees and expenses (including legal counsel and default administration costs and expenses), subordinate and inferior to the security interest granted to the Owners of the Bonds from time to time secured thereby, but nevertheless payable in the order of priority as set forth in Section 905(a) upon the occurrence of an Event of Default.

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

**Section 606. Notice of Default; Right to Investigate.** The Trustee shall give written notice, as soon as practicable, by first-class mail to registered Owners of Bonds of all defaults of which the Trustee has actual knowledge, unless such defaults have been remedied (the term "defaults" for purposes of this Section 606 and Section 607 being defined to include the events specified as "Events of Default" in Section 902 hereof, but not including any notice or periods of grace

provided for therein) or if the Trustee, based upon the advice of counsel upon which the Trustee is entitled to rely, determines that the giving of such notice is not in the best interests of the Owners of the Bonds. The Trustee will be deemed to have actual knowledge of any payment default under this Master Indenture or under any Supplemental Indenture and after receipt of written notice thereof by a Credit Facility issuer or 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 twenty-five percent (25%) in aggregate principal amount of the Bonds then Outstanding and affected by such default. The Trustee may, however, at any time require of the District full information as to the performance of any covenant hereunder; and if information satisfactory to it is not forthcoming, the Trustee may make or cause to be made, at the expense of the District, an investigation into the affairs of the District.

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

**Section 608. Reliance by Trustee.** The Trustee may act on any requisition, resolution, notice, telegram, request, consent, waiver, 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 of Bonds as to which such 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 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 twenty percent (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 Registrar, 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, except for the predecessor's rights under Section 604 hereof. 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 Registrar, and to the Paying Agent, Bond Registrar, any Credit Facility issuer and any Liquidity Facility issuer.

**Section 616. Merger of Trustee.** Any corporation, entity or purchaser into which any Trustee hereunder may be merged or with which it may be consolidated or into which all or substantially all of its corporate trust assets shall be sold or its operations conveyed, or any corporation, entity or purchaser resulting from any merger, consolidation or sale 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, entity or purchaser continuing to act as Trustee hereunder shall meet the requirements of Section 614 hereof, and if such corporation, entity or purchaser does not meet the aforesaid requirements, a successor Trustee shall be appointed pursuant to this Article VI.

**Section 617. Resignation of Paying Agent or Bond Registrar.** The Paying Agent or Bond Registrar may resign and be discharged of the duties created by this Master Indenture by executing an instrument in writing resigning such duties and specifying the date when such resignation shall take effect, and filing the same with the District and the Trustee not less than sixty (60) days before the date specified in such instrument when such resignation shall take effect, and by giving written notice of such resignation mailed not less than sixty (60) days prior to such resignation date to each Owner as its name and address appear on the registration books of the District maintained by the Bond Registrar. Such resignation shall take effect on the date specified in such notice, unless a successor Paying Agent or Bond Registrar is previously appointed in which event such resignation shall take effect immediately upon the appointment of such successor Paying Agent or Bond Registrar. If a 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 the Trustee, an instrument or instruments in writing executed by an Authorized Officer appointing a successor. Such removal shall be effective thirty (30) days after delivery of the instrument (or such longer period as may be set forth in such 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 shall (a) be a commercial bank or trust company duly organized under the laws of the United States or any state or territory thereof, authorized by law to perform all the duties imposed upon it by this Master Indenture, and capable of meeting its obligations hereunder, and (b) 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 Bond Registrar shall pay over and deliver to the successor Paying Agent or Bond Registrar all moneys and other assets at the time held by it hereunder.

**Section 622. Successor by Merger or Consolidation.** Any corporation, entity or purchaser into which any Paying Agent or Bond Registrar hereunder may be merged, converted or sold 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, entity or purchaser resulting from any merger, consolidation or sale 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.

## **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 Funds or Accounts for the benefit of a Series of Bonds shall:

(a) be used only for the purposes and in the manner provided herein and in the Supplemental Indenture relating to such Series of Bonds 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 Account in the Rebate Fund;

(c) be held and accounted for separate and apart from all other Funds and Accounts, including 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 parity obligations to issuers of Credit Facilities 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 parity obligations to issuers of Credit Facilities 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) or Section 905(b) 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 Facilities 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 Series Trust Estate with respect to each Series of Bonds, Debt Service on the dates, at the places, and in the amounts stated herein, in any Supplemental Indenture, and in the Bonds of such Series.

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

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

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

**Section 805. Power to Undertake Series Projects and to Collect Pledged Revenues.** The District has or will have upon the date of issuance of

each Series of Bonds, and will have so long as any Bonds are Outstanding, good right and lawful power: (a) 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 (b) 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 applied as provided in the corresponding Supplemental Indenture. 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 Engineer shall in writing approve such sale or lease, and the proceeds of any such sale shall be disposed of as hereinabove provided for the proceeds of the sale or disposal of movable property. The proceeds of any lease as described above shall be applied as provided in the corresponding Supplemental Indenture.

Notwithstanding the foregoing, the District may: (a) 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 (b) 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 (c) impose or declare covenants, conditions and restrictions pertaining to the use, occupancy and operation of the Series Projects.

**Section 807. Completion and Maintenance of Series Projects.** The District shall complete the acquisition and construction of a Series Project with all practical dispatch and in a sound and economical manner. So long as any Series Project is owned by the District, the District shall maintain, preserve and keep the

same or cause the same to be maintained, preserved and kept, with the appurtenances and every part and parcel thereof, in good repair, working order and condition, and shall from time to time make, or cause to be made, all necessary and proper repairs, replacements and renewals so that at all times the operation thereof may be properly and advantageously conducted.

**Section 808. Accounts and Reports.**

(a) ***Annual Report.*** The District shall, within thirty (30) 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 (i) 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 (ii) 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 Bonds held in book-entry form) of more than \$1,000,000 aggregate principal amount of any Series of Bonds who requests such information in writing to the District.

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

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

(d) ***Reports Pursuant to Uniform Special District Accountability Act of 1989.*** The District covenants and agrees that it will comply with the provisions of Chapter 189.01 et seq., Florida Statutes, 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 any Tax-Exempt Bonds to become "arbitrage bonds" as defined in Section 148 of the Code. 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 Code) of the Owners. Without limiting the generality of the foregoing, the District hereby covenants that it will to the extent not remitted by the Trustee from funds held in the Rebate Account, remit to the United States the Rebate Amount at the time and place required by this Master Indenture, any Supplemental Indenture, and the Tax Regulatory Covenants.

**Section 810. Enforcement of Payment of Assessments.** 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, Benefit Special Assessments, and/or any other sources as received to the Trustee in accordance with the provisions hereof.

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

**Section 812. Delinquent Assessments.** If the owner of any lot or parcel of land shall be delinquent in the payment of any Assessment or Benefit Special Assessment, pledged to a Series of Bonds, then such Assessment or Benefit Special Assessment shall be enforced in accordance with the provisions of Chapters 170 and/or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds as regards such Delinquent Assessment. In the event the provisions of Chapter 197, Florida Statutes, are inapplicable or unavailable, then upon the delinquency of any Assessment or Benefit Special Assessment, 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 Bonds of such Series then Outstanding, 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 Chapters 170 and 173, and Section 190.026, Florida Statutes, or otherwise as provided by law. The District further covenants to furnish, at its expense, to any Owner of Bonds of the related Series so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments together with

a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

**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 Delinquent 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 or Benefit Special 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 Assessments or Benefit Special Assessments, 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 Bonds of such Series then Outstanding.

**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 State law.

**Section 816. Re-Assessments.** If any Assessment or Benefit Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Assessment or Benefit Special Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Assessment or Benefit Special Assessment when it might have done so, the District shall either: (a) 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 (b) 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, such Series of Bonds shall be within every debt and other limit prescribed by the laws of the State applicable to the District.

The District shall not enter into any contract or take any action by which the rights of the Trustee or the Owners may be impaired and shall, from time to time, execute and deliver such further instruments and take such further action as may be required to carry out the purposes of this Master Indenture and any Supplemental Indenture. For so long as any Bonds are Outstanding hereunder, unless otherwise provided by the Act, the District shall maintain its corporate existence as a local unit of special purpose government under the Act and shall provide for or otherwise require all Series Projects, and all parts thereof owned by the District to be (a) continuously operated, repaired, improved and maintained as

shall be necessary to provide adequate service to the lands benefited thereby, and (b) in compliance with all valid and applicable laws, acts, rules, regulations, permits, orders, requirements and directions of any competent public authority.

**Section 818. Continuing Disclosure.** The District covenants and agrees that it will comply with and carry out all of the provisions of any Continuing Disclosure Agreement. Notwithstanding any other provision of this Master Indenture or any Supplemental Indenture, failure of the District or any other obligated person to comply with any Continuing Disclosure Agreement shall not be considered an Event of Default hereunder; however, the Trustee may (and, at the request of any participating underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Bonds of a Series then Outstanding and receipt of indemnity to its satisfaction, shall) or any Owner or Beneficial Owner of the Bonds of a Series then Outstanding may take such actions as may be necessary and appropriate, including seeking specific performance by court order, to cause the District to comply with its obligations under this Section 818. For purposes of this Section, "Beneficial Owner" means any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

## **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 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 the related Series Project;

(d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged 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 or Benefit Special Assessments pledged to a Series of Bonds 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);

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

(i) More than twenty percent (20%) of the Operation and Maintenance Assessments levied by the District on tax parcels subject to Assessments or Benefit

Special 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 in clauses (a) through (i) of Section 902 above with respect to a Series of Bonds, the Trustee shall, upon written direction of the Majority Owners of the Bonds of such Series then Outstanding, by a notice in writing to the District, declare the aggregate principal amount of all of the Bonds of such Series then Outstanding (if not then due and payable) to be due and payable immediately and, upon such declaration, the same shall become and be immediately due and payable, anything contained in the Bonds of such Series or in this Master Indenture or in the Supplemental Indenture authorizing such Series of Bonds 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 903, 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 903) shall have been remedied, then the Trustee or, if the Trustee is unable or unwilling to act, the Majority Owners of such Series of Bonds then Outstanding not then due except by virtue of a declaration under this Section 903, 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 State 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.

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: (a) an Event of Default shall have occurred and is continuing; (b) the Majority Owners of the Bonds of such Series then Outstanding have requested the Trustee, in writing, to exercise the powers granted in the first paragraph of this Section 904 or to pursue such remedy in its or their name or names; (c) the Trustee has been offered indemnity satisfactory to it against costs, expenses and liabilities reasonably anticipated to be incurred; (d) 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 (e) no direction inconsistent with such request has been given to the Trustee during such sixty (60) day period by the Majority Owners of the Bonds of such Series then Outstanding. The provisions of the 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, 912 and the second paragraph of this Section 904. No Owner or Owners of such Series of Bonds shall have any right in any manner whatsoever 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 Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting

at the direction of, and on behalf of, the Majority Owners, 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 (y) 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 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 (z) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings as now provided by law in suits to foreclose mortgages.

**Section 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 IX 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 hereof, 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 hereof, 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 hereof, and if such declaration shall thereafter have been rescinded and annulled pursuant to the provisions of Section 903 hereof, 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 hereof, 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 905 are in all respects subject to the provisions of Section 901 hereof.

Whenever moneys are to be applied pursuant to this Section 905, 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 Bonds of a Series shall have any right in any manner whatsoever to affect, disturb or prejudice the security of this Master Indenture or any Supplemental Indenture, or to enforce any right hereunder or thereunder except in the manner herein or therein provided, and all proceedings at law or in equity shall be instituted and maintained for the benefit of all Owners of the Bonds of such Series.

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

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

**Section 910. Right to Enforce Payment of Bonds.** Nothing in this Article IX 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. Provisions 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, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Assessments pledged to the Bonds of a Series then Outstanding (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding").

(b) The District acknowledges and agrees that, although the 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 then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Assessments relating to the Bonds of a Series then Outstanding, the Bonds of such Series then Outstanding or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of such Series then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(ii) the District hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation,

notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Assessments relating to the Bonds of a Series then Outstanding, the Bonds of such Series then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(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, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Bonds of such Series then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Assessments relating to the Bonds of a Series then 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 then 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 by the Trustee in such Proceeding or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to the Trustee's enforcement of the District's claim and rights with respect to the Assessments relating to the Bonds of a Series then 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 to (A) file a proof of claim with respect to the Assessments pledged to the Bonds of a Series then Outstanding, (B) deliver to the District a copy thereof, together



with evidence of the filing with the appropriate court or other authority, and (C) defend any objection filed to said proof of claim.

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

(c) Nothing in this Section 913 shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Operation and Maintenance Assessments, and the District shall be free to pursue such a claim for Operation and Maintenance Assessments in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Operation and Maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Assessments relating to the Bonds of a Series then Outstanding whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (b)(iv) above.

## **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 X shall be construed as limiting the Trustee to such proof, it being intended that the Trustee may accept any other evidence of the matters herein stated which it may deem sufficient. Any request or consent of the Owner of any Bond shall bind every future Owner of the same Bond in respect of anything done by the Trustee or the District in pursuance of such request or consent.

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

## **ARTICLE XI SUPPLEMENTAL INDENTURES**

**Section 1101. Supplemental Indentures Without Owner 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; 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 which defease and discharge the Supplemental Indenture of the Series of Bonds to be refunded) under and pursuant to the terms of the Supplemental Indenture effecting such change; or

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

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

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

(f) to make such changes as may be necessary in order to reflect amendments to Chapters 170, 190, 197 and 298, Florida Statutes, or any other Florida Statutes, so long as, in the opinion of counsel to the District, such changes either: (i) do not have a material adverse effect on the Owners of each Series of Bonds to which such changes relate; or (ii) 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 Bonds then Outstanding, upon which opinion the Trustee may conclusively rely.

## **Section 1102. Supplemental Indentures With Owner Consent.**

(a) Subject to the provisions contained in this Section 1102, and not otherwise, the Majority Owners of Bonds then Outstanding shall have the right, from time to time, anything contained in this Master Indenture to the contrary notwithstanding, to consent to and approve the adoption of such indentures supplemental hereto or amendatory hereof as shall be deemed desirable by the District for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the provisions of this Master Indenture; 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,

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

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

- (i) an extension of the maturity of, or an extension of the Interest Payment Date on, any Bond of such Series;
- (ii) a reduction in the principal, premium, or interest on any Bond of such Series;
- (iii) a preference or priority of any Bond of such Series over any other Bond of such Series; or

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

(c) 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 1102 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 1102.

(d) 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 then 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 indentures supplemental to a Supplemental Indenture, no such indenture shall be effective unless and until there shall have been delivered to the Trustee an 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 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 XI 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. The Trustee is not obligated to execute any amendment that is adverse to the interests of the Trustee.

**Section 1105. Insurer or Issuer of a Credit Facility or Liquidity Facility as Owner of Bonds.**

(a) As long as a Credit Facility or Liquidity Facility securing all or a portion of the Bonds of a Series then Outstanding is in effect and the issuer thereof is not in default of any of its obligations under such Credit Facility or Liquidity Facility, as the case may be, the issuer of the Credit Facility 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 Facility 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 Bonds of such Series then 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.

(b) Notwithstanding the foregoing, neither an Insurer nor the issuer of a Credit Facility 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 then 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 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 Bonds then Outstanding 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 trust by the Trustee (through deposit pursuant to this Master Indenture of funds for such payment or redemption or otherwise) at the maturity or redemption date thereof shall be deemed to have been paid within the meaning and with the effect expressed in this Section 1201. All Bonds of any particular maturity or Series then Outstanding 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 hereof 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 registration books of the District, a notice to the registered Owners of such Bonds and to the Bond Registrar that the deposit required by (ii) above has been made with the Trustee and that such Bonds are deemed to have been paid in accordance with this Section 1201 and stating such maturity or redemption date upon which moneys are to be available for the payment of the principal or Redemption Price, if applicable, on such Bonds; 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.

(c) 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, and to the extent all obligations under any Letter of Credit Agreement and any Liquidity Agreement are satisfied, as determined by an Insurer or an issuer of any Credit Facility or 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 and 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.

(d) 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 any Letter of Credit Agreement and any Liquidity Agreement pursuant to the provisions of this Section 1201, 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, any Letter of Credit Agreement or any Liquidity Agreement.

(e) 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, the Series Sinking Fund Account and the Series Redemption Account, or in such other accounts which are irrevocably pledged to the payment of the Option Bonds, as the District may create and establish by Supplemental Indenture, moneys which together with other moneys lawfully available therefor shall be sufficient at the time of such deposit to pay when due the maximum amount of principal of and Redemption Price, if any, and interest on such Option Bonds which could become payable to the Owners of such Bonds upon the exercise of any options provided to the Owners of such Bonds; provided however, that if at the time a deposit is made pursuant to this subsection (e) 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 (e). 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 and 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, any Letter of Credit Agreement or any Liquidity Agreement.

(f) Anything in this Master Indenture to the contrary notwithstanding, any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any of the Bonds which remain unclaimed for two (2) years after the date when such Bonds have become due and payable, either at their stated maturity dates or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bonds became due and payable, shall at the written request of the District be repaid by the Trustee or Paying Agent to the District, as its absolute property and free from trust, and the Trustee or Paying Agent shall thereupon be released and discharged with respect thereto and the Owners shall look only to the District for the payment of such Bonds; provided, however, that before being required to make any such payment to the District, the Trustee or Paying Agent shall, at the expense of the District, cause to be mailed, postage prepaid, to any Insurer or any issuer of any Credit Facility or Liquidity Facility, and to each registered Owner of Bonds then Outstanding at the address, if any, appearing upon the registration 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.

(g) 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.

(h) Anything in this Master Indenture to the contrary notwithstanding, the provisions of the foregoing subsections (b) through (g) 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 then Outstanding" were a reference to the "Bonds of such Series then Outstanding."

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

### **ARTICLE XIII MISCELLANEOUS PROVISIONS**

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

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

No covenant, stipulation, obligation or agreement herein contained shall be deemed to be a covenant, stipulation, obligation or agreement of any member, agent or employee of the Governing Body in his or her individual capacity, and neither the

members of the Governing Body nor any official executing the Bonds shall be liable personally on the Bonds or be subject to any personal liability or accountability by reason of the issuance thereof.

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

To the District, addressed to:

Lake Lizzie Community Development District  
c/o Governmental Management Services – Central Florida, LLC  
219 East Livingston Street  
Orlando, Florida 32801

To the Trustee, addressed to:

U.S. Bank Trust Company, National Association  
500 West Cypress Creek Road  
Suite 460  
Fort Lauderdale, Florida 33309  
Attention: Corporate Trust Department

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

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

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

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

duties imposed upon such officer shall be performed by the officer succeeding to the principal functions thereof or by the officer upon whom such powers, obligations and duties shall be imposed by law.

**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 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.

**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 shall govern their construction.

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

[Remainder of Page Intentionally Left Blank]

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

(SEAL)

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Chairman/Vice Chairman

**ATTEST:**

By: \_\_\_\_\_  
Secretary/Assistant Secretary

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

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**

**FORM OF REQUISITION**

The undersigned, an Authorized Officer of Lake Lizzie Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of July 1, 2023, as amended and supplemented by the [\_\_\_\_\_] Supplemental Trust Indenture between the District and the Trustee, dated as of [\_\_\_\_\_] (collectively, the "Indenture"). All capitalized terms used herein shall have the meaning ascribed to such term in the Indenture.

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

(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, Account or subaccount from which disbursement is 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/or construction of the [\_\_\_\_\_] Project and each represents a Cost of the [\_\_\_\_\_] Project, and has not previously been paid out of such Account or subaccount;

OR

this requisition is for Costs of Issuance payable from the [\_\_\_\_\_] Costs of Issuance Account that has not previously been paid out of such Account.

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

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

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

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

If this requisition is for a disbursement from other than the [\_\_\_\_\_] Costs of Issuance Account, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the [\_\_\_\_\_] Project and is consistent with (a) the applicable acquisition or construction contract, (b) the plans and specifications for the portion of the [\_\_\_\_\_] Project with respect to which such disbursement is being made, and (c) the report of the Consulting Engineer attached as an Exhibit to the [\_\_\_\_\_] Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

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

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**FIRST SUPPLEMENTAL TRUST INDENTURE**

**BETWEEN**

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**

**AND**

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

**Dated as of July 1, 2023**

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**[\$Bond Amount] Capital Improvement Revenue Bonds, Series 2023  
(2023 Assessment Area)**



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

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## **FIRST SUPPLEMENTAL TRUST INDENTURE**

**THIS FIRST SUPPLEMENTAL TRUST INDENTURE** (this "First Supplemental Indenture") is dated as of July 1, 2023, between **LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT** (the "District") and **U.S. BANK TRUST COMPANY, NATIONAL ASSOCIATION**, as trustee (the "Trustee"), a national banking association, authorized to accept and execute trusts of the character herein set forth, with its designated corporate trust office located at 500 West Cypress Creek Road, Suite 460, Fort Lauderdale, Florida 33309, Attention: Corporate Trust Department.

**WHEREAS**, the District entered into a Master Trust Indenture, dated as of July 1, 2023 (the "Master Indenture" and together with this First Supplemental Indenture, the "Indenture") with the Trustee to secure the issuance of its Lake Lizzie Community Development District Capital Improvement Revenue Bonds (the "Bonds"), issuable in one or more Series from time to time; and

**WHEREAS**, pursuant to Resolution No. 2023-26, adopted by the Governing Body of the District on November 2, 2022, the District has authorized the issuance, sale and delivery of not to exceed \$25,250,000 of Bonds, to be issued in one or more Series of Bonds as authorized under the Master Indenture, which Bonds were validated by final judgment of the Ninth Judicial Circuit of Florida, in and for Osceola County on March 20, 2023, the appeal period for which expired with no appeal having been taken; and

**WHEREAS**, the Governing Body of the District duly adopted Resolution No. 2023-24, on November 2, 2022, providing for the acquisition, construction and installation of assessable capital improvements (the "Capital Improvement Program"), providing estimated Costs of the Capital Improvement Program, defining assessable property to be benefited by the Capital Improvement Program, defining the portion of the Costs of the Capital Improvement Program with respect to which Assessments will be imposed and the manner in which such Assessments shall be levied against such benefited property within the District, directing the preparation of an assessment roll, and stating the intent of the District to issue Bonds of the District secured by such Assessments to finance the Costs of the acquisition, construction and installation of the Capital Improvement Program and the Governing Body of the District duly adopted Resolution No. 2023-34, on February 1, 2023, following a public hearing conducted in accordance with the Act, to fix and establish the Assessments and the benefited property; and

**WHEREAS**, pursuant to Resolution No. 2023-[\_\_\_], adopted by the Governing Body of the District on [June 7], 2023, the District has authorized the issuance, sale and delivery of, among other things, its \$[Bond Amount] Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the "Series 2023 Bonds"), which are issued hereunder as an issue of Bonds under the Master Indenture, and has authorized the execution and

delivery of the Master Indenture and this First Supplemental Indenture to secure the issuance of the Series 2023 Bonds and to set forth the terms of the Series 2023 Bonds; and

**WHEREAS**, the District will apply the proceeds of the Series 2023 Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2023 Project (as defined herein), (b) pay certain costs associated with the issuance of the Series 2023 Bonds, (c) make a deposit into the Series 2023 Reserve Account to be held for the benefit of all of the Series 2023 Bonds, and (d) pay a portion of the interest to become due on the Series 2023 Bonds; and

**WHEREAS**, the Series 2023 Bonds will be payable from and secured in part by revenues derived from Assessments imposed, levied and collected by the District with respect to property specially benefited by the Series 2023 Project (the "Series 2023 Assessments"); and

**WHEREAS**, the execution and delivery of the Series 2023 Bonds and of this First Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the Series 2023 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this First Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the Series 2023 Trust Estate (hereinafter defined) have been done;

**NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS FIRST SUPPLEMENTAL INDENTURE WITNESSETH:**

That the District, in consideration of the premises, the acceptance by the Trustee of the trusts hereby created, the mutual covenants herein contained, the purchase and acceptance of the Series 2023 Bonds by the purchaser or purchasers thereof, and other good and valuable consideration, receipt of which is hereby acknowledged, and in order to further secure the payment of the principal and Redemption Price of, and interest on, all Series 2023 Bonds Outstanding from time to time, according to their tenor and effect, and such other payments required to be made under the Master Indenture or hereunder, and to further secure the observance and performance by the District of all the covenants, expressed or implied in the Master Indenture, in this First Supplemental Indenture and in the Series 2023 Bonds (a) has executed and delivered this First Supplemental Indenture and (b) does hereby, in confirmation of the Master Indenture, grant, bargain, sell, convey, transfer, assign and pledge unto the Trustee, and unto its successors in the trusts established under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture and the provisions of the Master Indenture pertaining to the application thereof for or to the purposes and on the terms set forth in the Master Indenture, the revenues derived

by the District from the Series 2023 Assessments (the "Series 2023 Pledged Revenues") and the Funds and Accounts (except for the Series 2023 Rebate Account) established hereby (the "Series 2023 Pledged Funds") which shall constitute the Trust Estate securing the Series 2023 Bonds (the "Series 2023 Trust Estate");

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

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

**PROVIDED HOWEVER**, that if the District, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the Series 2023 Bonds or any Series 2023 Bond of a particular maturity issued, secured and Outstanding under this First Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the Series 2023 Bonds and this First 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 First 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 First Supplemental Indenture, then upon such final payments, this First Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all Series 2023 Bonds or any Series 2023 Bond of a particular maturity, otherwise this First Supplemental Indenture shall remain in full force and effect;

**THIS FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH**, and it is expressly declared, that all Series 2023 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as expressed in the Master Indenture (except as amended directly or by implication by this First Supplemental Indenture) and this First Supplemental Indenture, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the Series 2023 Bonds, as follows:

## ARTICLE I DEFINITIONS

**Section 101. Definitions.** All terms used herein that are defined in the recitals hereto are used with the same meaning herein unless the context clearly requires otherwise. All terms used herein that are defined in the Master Indenture are used with the same meaning herein (including the use of such terms in the recitals hereto and the granting clauses hereof) unless (a) expressly given a different meaning herein or (b) the context clearly requires otherwise. In addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

**"2023 Assessment Area"** shall mean the 193 residential units within Phase 1 of the District, as more fully described in the Engineer's Report and the Assessment Methodology.

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

**"Assessment Methodology"** shall mean the Master Assessment Methodology, dated November 2, 2022, as supplemented by the [Supplemental Assessment Methodology], dated [\_\_\_\_\_], 2023, each prepared by the Methodology Consultant.

**"Beneficial Owners"** shall have the meaning given such term by DTC so long as it is the registered Owner through its Nominee, Cede & Co., of the Series 2023 Bonds as to which such reference is made to enable such Series 2023 Bonds to be held in book-entry only form, and shall otherwise mean the registered Owner on the registration books of the District maintained by the Bond Registrar.

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

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

**"Collateral Assignment"** shall mean the [Collateral Assignment] between the District and the Developer, dated as of [Closing Date].

**"Completion Agreement"** shall mean the [Completion Agreement] between the District and the Developer, dated as of [Closing Date].

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

**"Delinquent Assessment Interest"** shall mean Series 2023 Assessment Interest deposited by the District with the Trustee on or after May 1 of the year in which such Series 2023 Assessment Interest has, or would have, become delinquent under State law or the Series 2023 Assessment Proceedings applicable thereto.

**"Delinquent Assessment Principal"** shall mean Series 2023 Assessment Principal deposited by the District with the Trustee on or after May 1 of the year in which such Series 2023 Assessment Principal has, or would have, become delinquent under State law or the Series 2023 Assessment Proceedings applicable thereto.

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

**"Developer"** shall mean Hanover Tyson, LLC, a Florida limited liability company.

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

**"Engineer's Report"** shall mean the Engineer's Report, dated [October 26], 2022, as supplemented by the [Supplemental Engineer's Report], dated [\_\_\_\_\_], 2023, each prepared by Hanson, Walter & Associates, Inc., copies of which are attached hereto as Exhibit A.

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

**"Majority Owners"** shall mean the Beneficial Owners of more than fifty percent (50%) in principal amount of the Outstanding Series 2023 Bonds.

**"Methodology Consultant"** shall mean Governmental Management Services – Central Florida, LLC.

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

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

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

**"Redemption Date"** shall mean a Quarterly Redemption Date in the case of a partial redemption of Outstanding Series 2023 Bonds, or any date in the case of the redemption of all of the Outstanding Series 2023 Bonds.

**"Reserve Account Release Conditions"** shall mean, collectively, that (a) all residential units/homes subject to the Series 2023 Assessments have been built, sold and closed with end-users, (b) all Series 2023 Assessments are being collected pursuant to the Uniform Method, and (c) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2023 Bonds. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) and (b) have occurred and affirming clause (c), on which certifications the Trustee may conclusively rely.

**"Series 2023 Assessment Interest"** shall mean the interest on the Series 2023 Assessments which is pledged to the Series 2023 Bonds.

**"Series 2023 Assessment Principal"** shall mean the principal amount of Series 2023 Assessments received by the District which represents a proportionate amount of the principal of and Amortization Installments of the Series 2023 Bonds, other than applicable Delinquent Assessment Principal and Series 2023 Prepayments.

**"Series 2023 Assessment Proceedings"** shall mean the proceedings of the District with respect to the establishment, levy and collection of the Series 2023 Assessments which include Resolution Nos. 2023-24, 2023-25, 2023-34 and 2023-[\_], adopted by the Governing Body of the District, and any supplemental proceedings undertaken by the District with respect to the Series 2023 Assessments and the Assessment Methodology as approved thereby.

**"Series 2023 Assessment Revenues"** shall mean all revenues derived by the District from the Series 2023 Assessments, including Delinquent Assessments, proceeds from any foreclosure of the lien of Delinquent Assessments and any statutory interest on the Delinquent Assessments collected by the District in excess of the rate of interest on the Series 2023 Bonds.

**"Series 2023 Assessments"** shall mean the non-ad valorem special assessments imposed, levied and collected by the District in accordance with the Series 2023 Assessment Proceedings.

**"Series 2023 Investment Obligations"** shall mean and includes any of the following securities, if and to the extent that such securities are legal investments for funds of the District:

- (a) Government Obligations;



(b) Bonds, debentures, notes or other evidences of indebtedness issued by any of the following agencies or such other government – sponsored agencies which may presently exist or be hereafter created; provided that, such bonds, debentures, notes or other evidences of indebtedness are fully guaranteed as to both principal and interest by the Government National Mortgage Association (including participation certificates issued by such association); Fannie Mae (including participation certificates issued by such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the highest categories for such funds by both Moody's and S&P at the time of purchase;

(c) Both (i) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's and S&P, and (ii) shares of money market mutual funds that invest only in the obligations described in (a) and (b) above;

(d) Money market deposit accounts, time deposits, and certificates of deposits issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P; and

(e) Commercial paper (having maturities of not more than 270 days) rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P.

Under all circumstances, the Trustee shall be entitled to conclusively rely that any investment directed in writing by an Authorized Officer of the District is permitted under the Indenture and is a legal investment for funds of the District.

***"Series 2023 Prepayment Interest"*** shall mean the interest on the Series 2023 Prepayments received by the District.

***"Series 2023 Prepayments"*** shall mean the excess amount of Series 2023 Assessment Principal received by the District over the Series 2023 Assessment Principal included within a Series 2023 Assessment appearing on any outstanding and unpaid tax bill or direct collect invoice, whether or not mandated to be prepaid in accordance with the Series 2023 Assessment Proceedings. Anything herein or in the Master Indenture to the contrary notwithstanding, the term Series 2023 Prepayments shall not mean the proceeds of any Refunding Bonds or other borrowing of the District.

**"Series 2023 Project"** shall mean that portion of the Capital Improvement Program to be financed in part with the proceeds of the Series 2023 Bonds on deposit in the Series 2023 Acquisition and Construction Account, as more particularly described in the Engineer's Report.

**"Series 2023 Reserve Account Requirement"** shall mean an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2023 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions are met, at which time and thereafter, Series 2023 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2023 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2023 Bonds, the Series 2023 Reserve Account Requirement shall be \$[RAR].

**"Substantially Absorbed"** shall mean the date on which the principal amount of the Series 2023 Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2023 Bonds is levied on tax parcels within the 2023 Assessment Area with respect to which a certificate of occupancy has been issued for a structure thereon and are owned by end users, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

**"True-Up Agreement"** shall mean the [True-Up Agreement] between the District and the Developer, dated as of [Closing Date].

**"Underwriter"** shall mean MBS Capital Markets, LLC, the underwriter of the Series 2023 Bonds.

## ARTICLE II AUTHORIZATION, ISSUANCE AND PROVISIONS OF SERIES 2023 BONDS

**Section 201. Authorization of Series 2023 Bonds; Book-Entry Only Form.** The Series 2023 Bonds are hereby authorized to be issued in one Series in the aggregate principal amount of \$[Bond Amount] for the purposes enumerated in the recitals hereto to be designated "Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area)." The Series 2023 Bonds shall be substantially in the form attached hereto as Exhibit B. Each Series 2023 Bond shall bear the designation "2023R" and shall be numbered consecutively from 1 upwards.

The Series 2023 Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2023 Bond for each maturity thereof. Upon initial issuance, the ownership of each such Series 2023 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 2023 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 2023 Bonds registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of DTC, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation to any such Bond Participant or to any indirect Bond Participant. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (a) the accuracy of the records of DTC, Cede & Co., or any Bond Participant with respect to any ownership interest in the Series 2023 Bonds, (b) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the Series 2023 Bonds, including any notice of redemption, or (c) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the Series 2023 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent shall treat and consider the person in whose name each Series 2023 Bond is registered in the registration books kept by the Bond Registrar as the absolute Owner of such Series 2023 Bond for the purpose of payment of principal, premium and interest with respect to such Series 2023 Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2023 Bond, for the purpose of registering transfers with respect to such Series 2023 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the Series 2023 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 2023 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 2023 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 First Supplemental Indenture shall refer to such new Nominee of DTC, and upon receipt of such a notice the District shall promptly deliver a copy of the same to the Trustee, the Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC (a) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding Series 2023 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 2023 Bonds, or (b) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the Series 2023 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 2023 Bonds shall designate, in accordance with the provisions hereof.

**Section 202. Terms.** The Series 2023 Bonds shall be issued as [\_\_\_] ([\_\_\_]) Term Bonds, shall be dated as of the date of their issuance and delivery to the initial purchasers thereof, shall bear interest at the fixed interest rates per annum and shall mature in the amounts and on the dates set forth below:

<u>Number</u>	<u>Principal Amount</u>	<u>Maturity Date</u>	<u>Interest Rate</u>	<u>CUSIP</u>
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**Section 203. Dating; Interest Accrual.** Each Series 2023 Bond shall be dated [Closing Date]. Each Series 2023 Bond shall also bear its date of authentication. Each Series 2023 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication (a) is an Interest Payment Date to which interest on such Series 2023 Bond has been paid, in which event such Series 2023 Bond shall bear interest from its date of authentication, or (b) is prior to the first Interest Payment Date for the Series 2023 Bonds, in which event such Series 2023 Bond shall bear interest from its date. Interest on the Series 2023 Bonds shall be due and payable on each May 1 and November 1, commencing November 1, 2023, and shall be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months.

**Section 204. Denominations.** The Series 2023 Bonds shall be issued in Authorized Denominations; provided, however, that the Series 2023 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of Authorized Denominations in excess of \$100,000.

**Section 205. Paying Agent.** The District appoints the Trustee as Paying Agent for the Series 2023 Bonds.

**Section 206. Bond Registrar.** The District appoints the Trustee as Bond Registrar for the Series 2023 Bonds.

**Section 207. Conditions Precedent to Issuance of Series 2023 Bonds.** In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2023 Bonds, all the Series 2023 Bonds shall be executed by the 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 2023 Assessment Proceedings;
- (b) executed copies of the Master Indenture and this First Supplemental Indenture;
- (c) a customary Bond Counsel opinion;
- (d) the District Counsel opinion required by the Master Indenture;
- (e) a certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the Series 2023 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this First Supplemental Indenture;
- (f) an Engineer's Certificate and a copy of the Engineer's Report, which sets forth the estimated Costs of the Series 2023 Project;
- (g) a certificate of the Methodology Consultant addressing the validity of the Series 2023 Assessments;
- (h) a certified copy of the final judgment of validation in respect of the Bonds together with a certificate of no appeal; and
- (i) an executed Collateral Assignment, Completion Agreement and True-Up Agreement.

Payment to the Trustee of the net proceeds of the Series 2023 Bonds in the amount of \$[NP] shall conclusively evidence that the foregoing conditions precedent have been met to the satisfaction of the District and the Underwriter.

### **ARTICLE III REDEMPTION OF SERIES 2023 BONDS**

**Section 301. Bonds Subject to Redemption.** The Series 2023 Bonds are subject to redemption prior to maturity as provided in the form thereof attached

hereto as Exhibit B. Interest on Series 2023 Bonds which are called for redemption shall be paid on the date of redemption from the Series 2023 Interest Account or from the Series 2023 Revenue Account to the extent moneys in the Series 2023 Interest Account are insufficient for such purpose. Moneys in the Series 2023 Optional Redemption Subaccount shall be applied in accordance with Section 506 of the Master Indenture to the optional redemption of Series 2023 Bonds.

**ARTICLE IV**  
**DEPOSIT OF SERIES 2023 BOND PROCEEDS AND**  
**APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS**  
**AND OPERATION THEREOF**

**Section 401. Establishment of Accounts.** There are hereby established, as needed, the following Accounts:

(a) within the Acquisition and Construction Fund held by the Trustee, a Series 2023 Acquisition and Construction Account and a Series 2023 Costs of Issuance Account;

(b) within the Debt Service Fund held by the Trustee: (i) a Series 2023 Debt Service Account and therein a Series 2023 Sinking Fund Account, a Series 2023 Interest Account and a Series 2023 Capitalized Interest Account; and (ii) a Series 2023 Redemption Account and therein a Series 2023 Prepayment Subaccount and a Series 2023 Optional Redemption Subaccount;

(c) within the Reserve Fund held by the Trustee, a Series 2023 Reserve Account, which shall be held for the benefit of all of the Series 2023 Bonds, without distinction as to Series 2023 Bonds and without privilege or priority of one Series 2023 Bond over another;

(d) within the Revenue Fund held by the Trustee, a Series 2023 Revenue Account; and

(e) within the Rebate Fund held by the Trustee, a Series 2023 Rebate Account.

**Section 402. Use of Series 2023 Bond Proceeds.** The net proceeds of sale of the Series 2023 Bonds in the amount of \$[NP] (consisting of \$[Bond Amount].00 principal amount of Series 2023 Bonds [less/plus] [net] original issue [discount/premium] in the amount of \$[OID/OIP] and less underwriter's discount in the amount of \$[UD]), shall as soon as practicable upon the delivery thereof to the Trustee by the District pursuant to Section 207 of the Master Indenture, be applied as follows:

(a) \$[RAR], representing the Series 2023 Reserve Account Requirement at the time of issuance of the Series 2023 Bonds, shall be deposited to the credit of the Series 2023 Reserve Account;

(b) \$[COI], representing the costs of issuance relating to the Series 2023 Bonds, shall be deposited to the credit of the Series 2023 Costs of Issuance Account;

(c) \$[CAPI], representing Capitalized Interest on the Series 2023 Bonds through and including November 1, 2023, shall be deposited to the credit of the Series 2023 Capitalized Interest Account; and

(d) \$[CD] shall be deposited to the credit of the Series 2023 Acquisition and Construction Account.

**Section 403. Series 2023 Acquisition and Construction Account; Series 2023 Costs of Issuance Account.**

(a) Amounts on deposit in the Series 2023 Acquisition and Construction Account shall be applied to pay Costs of the Series 2023 Project upon compliance with the requisition provisions set forth in Section 503(b) of the Master Indenture and on the form attached hereto as Exhibit C. The Trustee shall have no duty to verify that any requested disbursement from the Series 2023 Acquisition and Construction Account is for a Cost of the Series 2023 Project. The Consulting Engineer shall establish a Date of Completion for the Series 2023 Project, and any balance remaining in the Series 2023 Acquisition and Construction Account after such Date of Completion (taking into account the moneys then on deposit therein to pay any accrued but unpaid Costs of the Series 2023 Project which are required to be reserved in the Series 2023 Acquisition and Construction Account in accordance with the certificate of the Consulting Engineer delivered to the District and the Trustee establishing such Date of Completion), shall be transferred to the Series 2023 Prepayment Subaccount and applied to the extraordinary mandatory redemption of the Series 2023 Bonds in accordance with Section 301 hereof and in the manner prescribed in the form of Series 2023 Bond attached hereto as Exhibit B. Notwithstanding the foregoing, the District shall not establish a Date of Completion until after the Reserve Account Release Conditions have been satisfied and moneys have been transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account as a result of such satisfaction pursuant to Section 405 hereof. Such amounts deposited into the Series 2023 Acquisition and Construction Account as a result of the satisfaction of the Reserve Account Release Conditions shall be paid to the Person or Persons designated in a requisition in the form attached hereto as Exhibit C submitted by the Developer within thirty (30) days of such transfer which requisition shall be executed by the District and the Consulting Engineer. Such payment is authorized notwithstanding that the Date of Completion might have been declared provided the Developer can establish, to the satisfaction of the Consulting Engineer, Costs of the Series 2023 Project that were not paid from moneys initially deposited in the Series 2023

Acquisition and Construction Account. In the event that there are no unreimbursed Costs to pay to the Developer, such excess moneys transferred from the Series 2023 Reserve Account to the Series 2023 Acquisition and Construction Account shall be deposited into the Series 2023 Prepayment Subaccount upon direction to the Trustee by the District. At such time as there are no amounts on deposit in the Series 2023 Acquisition and Construction Account, such Account shall be closed.

(b) The amount deposited in the Series 2023 Costs of Issuance Account shall, at the written direction of an Authorized Officer to the Trustee, be used to pay the costs of issuance relating to the Series 2023 Bonds. On the date of issuance of the Series 2023 Bonds, costs of issuance shall be paid pursuant to the instructions in the closing memorandum prepared by the Underwriter. On the earlier to occur of (x) the written direction of an Authorized Officer or (y) six (6) months from the date of issuance of the Series 2023 Bonds, any amounts deposited in the Series 2023 Costs of Issuance Account for which the Trustee has not received a requisition to pay such costs shall be transferred over and deposited into the Series 2023 Acquisition and Construction Account and used for the purposes permitted therefor. Any deficiency in the amount allocated to pay the costs of issuance relating to the Series 2023 Bonds shall be paid from excess moneys on deposit in the Series 2023 Revenue Account pursuant to Section 408(d) hereof. When such deficiency has been satisfied and no moneys remain therein, the Series 2023 Costs of Issuance Account shall be closed.

**Section 404. Series 2023 Capitalized Interest Account.** Amounts on deposit in the Series 2023 Capitalized Interest Account shall, until and including November 1, 2023, be transferred into the Series 2023 Interest Account and applied to the payment of interest first coming due on the Series 2023 Bonds in accordance with Section 408(d) hereof, and thereafter transferred into the Series 2023 Acquisition and Construction Account, whereupon the Series 2023 Capitalized Interest Account shall be closed.

**Section 405. Series 2023 Reserve Account.** The Series 2023 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2023 Reserve Account Requirement. Except as otherwise provided herein or in the Master Indenture, amounts on deposit in the Series 2023 Reserve Account shall be used only for the purpose of making payments into the Series 2023 Interest Account and the Series 2023 Sinking Fund Account to pay Debt Service on the Series 2023 Bonds, when due, without distinction as to Series 2023 Bonds and without privilege or priority of one Series 2023 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2023 Reserve Account shall consist only of cash and Series 2023 Investment Obligations.

Anything herein or in the Master Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or, if such



forty-fifth (45<sup>th</sup>) day is not a Business Day, on the first Business Day preceding such forty-fifth (45<sup>th</sup>) day), an Authorized Officer of the District shall recalculate the Series 2023 Reserve Account Requirement and shall direct the Trustee in writing to transfer any excess on deposit in the Series 2023 Reserve Account (a) resulting from Prepayments of Series 2023 Assessments into the Series 2023 Prepayment Subaccount and applied as a credit against the Prepayment otherwise required to be made by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2023 Bonds, (b) resulting from a reduction of the Series 2023 Reserve Account Requirement as the result of the Reserve Account Release Conditions being met into the Series 2023 Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in Section 408(f) herein. The Trustee is hereby authorized to make such transfers and has no duty to verify such calculations.

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

Anything herein or in the Master Indenture to the contrary notwithstanding, amounts on deposit in the Series 2023 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

**Section 406. Amortization Installments; Selection of Bonds for Redemption.** (a) The Amortization Installments established for the Series 2023 Bonds shall be as set forth in the form of Series 2023 Bonds attached hereto.

(b) Upon any redemption of Series 2023 Bonds (other than Series 2023 Bonds redeemed in accordance with scheduled Amortization Installments and other than Series 2023 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 Trustee shall cause Series 2023 Bonds to be redeemed in such amounts and having such maturities so as to result in Amortization Installments recalculated, which recalculation shall be performed by the District, in such manner as shall amortize all the Outstanding Series 2023 Bonds of all of the maturities in substantially equal annual installments of principal and interest (subject to rounding to Authorized

Denominations of principal) over the remaining terms of all of the Series 2023 Bonds.

**Section 407. Tax Covenants.** The District shall comply with the Arbitrage Certificate, including but not limited to the Tax Regulatory Covenants set forth as an exhibit to the Arbitrage Certificate, as amended and supplemented from time to time in accordance with their terms.

**Section 408. Series 2023 Revenue Account; Application of Revenues and Investment Earnings.** (a) The Trustee is hereby authorized and directed to deposit any and all amounts required to be deposited in the Series 2023 Revenue Account by this Section 408 or by any other provision of the Master Indenture or this First 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 2023 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2023 Revenue Account (i) Series 2023 Assessment Revenues other than Series 2023 Prepayments (which Series 2023 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2023 Prepayment Subaccount), (ii) Series 2023 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2023 Revenue Account.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2023 Prepayment Subaccount and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2023 Revenue Account for deposit into the Series 2023 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2023 Revenue Account to pay Debt Service coming due on the Series 2023 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2023 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2023 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2023 Bonds set forth in the form of Series 2023 Bonds attached hereto, Section 301 hereof, and Article III of the Master Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2023 Capitalized Interest Account to the

Series 2023 Interest Account the lesser of (x) the amount of interest coming due on the Series 2023 Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2023 Interest Account, or (y) the amount remaining in the Series 2023 Capitalized Interest Account. Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer amounts on deposit in the Series 2023 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

**FIRST**, to the Series 2023 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2023 Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2023 Capitalized Interest Account in accordance with this Section 408(d) and (ii) the amount already on deposit in the Series 2023 Interest Account not previously credited;

**SECOND**, on May 1, 20[\_\_\_], and on each May 1 thereafter, to the Series 2023 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2023 Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2023 Sinking Fund Account not previously credited;

**THIRD**, to the Series 2023 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2023 Reserve Account Requirement with respect to the Series 2023 Bonds; and

**FOURTH**, the balance shall first be deposited into the Series 2023 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2023 Bonds, and then the balance shall be retained in the Series 2023 Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2023 Revenue Account to the Series 2023 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

(f) Anything herein or in the Master Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2023 Bonds shall be invested only in Series 2023 Investment Obligations. Earnings on investments in the Series 2023 Acquisition and Construction Account, the Series 2023 Interest Account and the Series 2023 Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2023 Reserve Account, and other than as set forth

above, shall be deposited, as realized, to the credit of the Series 2023 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2023 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2023 Reserve Account as of the most recent date on which amounts on deposit in the Series 2023 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2023 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2023 Reserve Account shall be deposited into the Series 2023 Capitalized Interest Account through November 1, 2023, and thereafter shall be deposited into the Series 2023 Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency (as defined in Section 509 of the Master Indenture) in the Series 2023 Reserve Account as of the most recent date on which amounts on deposit in the Series 2023 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2023 Reserve Account and have created such a deficiency, then earnings on investments in the Series 2023 Reserve Account shall be retained in the Series 2023 Reserve Account until the amount on deposit therein is equal to the Series 2023 Reserve Account Requirement, and then earnings on investments in the Series 2023 Reserve Account shall be deposited into the Series 2023 Capitalized Interest Account through November 1, 2023, and thereafter shall be deposited into the Series 2023 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2023 Reserve Account made pursuant to Section 405 hereof.

## **ARTICLE V CONCERNING THE TRUSTEE**

**Section 501. Acceptance by Trustee.** The Trustee accepts the trusts declared and provided in this First Supplemental Indenture and agrees to perform such trusts upon the terms and conditions set forth herein and in the Master Indenture.

**Section 502. Limitation of Trustee's Responsibility.** The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Indenture by the District or for the recitals contained herein, all of which are made solely by the District.

**Section 503. Trustee's Duties.** Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlements inuring to the Trustee under the Master Indenture, including, particularly, Article VI thereof.

## **ARTICLE VI ADDITIONAL BONDS**

**Section 601. No Parity Bonds; Limitation on Parity Assessments.** Other than Refunding Bonds issued to refund the then Outstanding Series 2023 Bonds, the issuance of which results in net present value Debt Service savings, the District shall not, while any Series 2023 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2023 Trust Estate. The District further covenants and agrees that so long as the Series 2023 Assessments have not been Substantially Absorbed, it will not impose Assessments for capital projects on any lands subject to the Series 2023 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Assessments on property subject to the Series 2023 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

## **ARTICLE VII MISCELLANEOUS**

**Section 701. Confirmation of Master Indenture.** As supplemented by this First Supplemental Indenture, the Master Indenture is in all respects ratified and confirmed, and this First 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 First Supplemental Indenture and to the Series 2023 Bonds issued hereunder.

**Section 702. Continuing Disclosure Agreement.** Contemporaneously with the execution and delivery hereof, the District has executed and delivered the Continuing Disclosure Agreement in order to comply with the requirements of Rule 15c2-12 promulgated under the Securities Exchange Act of 1934. The District covenants and agrees to comply with the provisions of the Continuing Disclosure Agreement. However, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but instead shall be enforceable as provided in the Continuing Disclosure Agreement.

**Section 703. Additional Covenant Regarding Assessments.** In addition to, and not in limitation of, the covenants contained elsewhere in this First

Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the Series 2023 Assessment Proceedings heretofore adopted with respect to the Series 2023 Assessments, including the Assessment Methodology, and to levy the Series 2023 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 the Series 2023 Bonds, when due.

**Section 704. Collection of Assessments.** (a) Anything herein or in the Master Indenture to the contrary notwithstanding, when permitted by law, Series 2023 Assessments levied on platted lots and pledged hereunder to secure the Series 2023 Bonds shall be collected pursuant to the Uniform Method, and Series 2023 Assessments levied on unplatted lands and pledged hereunder to secure the Series 2023 Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default.

(b) A proportionate amount of the Series 2023 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date.

**Section 705. Foreclosure of Assessment Lien.** Notwithstanding Section 814 of the Master Indenture or any other provision of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2023 Assessments and Series 2023 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2023 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2023 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2023 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 2023 Bonds; provided that the Trustee shall have the right acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section 705. The District, either through its own actions or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2023 Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for

doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the benefit of the Owners of the Series 2023 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

**Section 706. Owner Direction and Consent with Respect to Series 2023 Acquisition and Construction Account Upon Occurrence of Event of Default.** In accordance with the provisions of the Indenture, the Series 2023 Bonds are payable solely from the Series 2023 Pledged Revenues and the Series 2023 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District hereby acknowledges that (a) the Series 2023 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2023 Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, the Series 2023 Pledged Funds may not be used by the District (whether to pay Costs of the Series 2023 Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the Trustee notifying the District of such declared Event of Default the District had incurred a binding obligation with third parties for work on the Series 2023 Project and payment is for such work, and (c) upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, the Series 2023 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Series 2023 Project that will cause the expenditure of additional funds from the Series 2023 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners.

**Section 707. Assignment of District's Rights Under Collateral Assignment.** Subject to the terms of the Collateral Assignment, the District hereby assigns its rights under the Collateral Assignment to the Trustee for the benefit of the Owners, from time to time, of the Series 2023 Bonds. The Trustee shall not be deemed to have accepted any obligation under the Collateral Assignment by virtue of such assignment.

**Section 708. Enforcement of True-Up Agreement and Completion Agreement.** The District, either through its own actions, or actions caused to be taken through the Trustee, covenants that it shall strictly enforce all of the provisions of the True-Up Agreement and the Completion Agreement and, upon the occurrence and continuance of a default under either or both of such Agreements, the District covenants and agrees that the Trustee, at the direction of the Majority

Owners, shall act on behalf of and in the District's stead to enforce the provisions of such Agreements and to pursue all available remedies under applicable law or in equity. Anything herein or in the Master Indenture to the contrary notwithstanding, failure of the District to enforce, or permit the Trustee to enforce in its stead, all of the provisions of the True-Up Agreement and the Completion Agreement upon demand of the Majority Owners, or the Trustee at the direction of the Majority Owners, shall constitute an Event of Default under the Indenture, provided, however, that the District shall have a reasonable opportunity to cure.

**Section 709. Payment of Rebate Amount.** Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall cause a Rebate Analyst to determine the Rebate Amount, if any, at the times and in the manner provided in the Tax Regulatory Covenants attached as an exhibit to the Arbitrage Certificate. If a Rebate Amount shall be due, the District shall deliver to the Trustee the written direction of an Authorized Officer to pay from the Series 2023 Rebate Account, or from any other available funds as shall be provided in such written direction, the Rebate Amount to the District for remittance to the Internal Revenue Service. The Trustee may conclusively rely on such written direction and shall have no responsibility for the calculation or payment of the Rebate Amount, if any. Notwithstanding Section 507(b) of the Master Indenture, the District shall not be required to provide the report of the Rebate Analyst to the Trustee.

[Remainder of Page Intentionally Left Blank]



**IN WITNESS WHEREOF**, Lake Lizzie Community Development District has caused this First Supplemental Indenture to be signed in its name and on its behalf by its Chairman, and its official seal to be hereunto affixed and attested by its Secretary, thereunto duly authorized, and to evidence its acceptance of the trusts hereby created, the Trustee has caused this First Supplemental Indenture to be signed in its name and on its behalf by its duly authorized Vice President.

**(SEAL)**

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

\_\_\_\_\_  
Secretary

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

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

By: \_\_\_\_\_  
Vice President

**EXHIBIT A**

**DESCRIPTION OF SERIES 2023 PROJECT**

[See Report of Consulting Engineer Attached Hereto]

**EXHIBIT B**

**FORM OF SERIES 2023 BONDS**

No. 2023R-

\$[ ]

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
CAPITAL IMPROVEMENT REVENUE BOND, SERIES 2023  
(2023 ASSESSMENT AREA)**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Dated Date</u>	<u>CUSIP</u>
%	May 1, 20[ ]	[Closing Date]	

**Registered Owner:** CEDE & CO.

**Principal Amount:**

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**, a community development district duly established and existing pursuant to Chapter 190, Florida Statutes (the "District"), for value received, hereby promises to pay (but only out of the sources hereinafter mentioned) to the registered Owner set forth above, or registered assigns, on the maturity date shown hereon, unless this Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture hereinafter mentioned) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for or, if no interest has been paid, from the Dated Date shown above on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on November 1, 2023, until payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (hereinafter defined), be paid to the registered Owner hereof at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15<sup>th</sup>) day of the calendar month preceding such Interest Payment Date or, if such day is not a Business Day, on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or

Redemption Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of this Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation hereof at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"), unless the Bonds are held in the book-entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner set forth above if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner set forth above owns not less than \$1,000,000 in aggregate principal amount of the Series 2023 Bonds, as defined below). Interest on this Bond will be computed on the basis of a 360-day year comprised of twelve (12) thirty (30) day months. During any period that this Bond is registered in the name of Cede & Co., as Nominee of DTC, the provisions of the Supplemental Indenture (hereinafter defined) relating to the book-entry only system shall apply, including the payment provisions thereof. Capitalized terms used herein and not otherwise defined shall have the same meaning as set forth in the hereinafter defined Indenture.

This Bond is one of a duly authorized issue of Bonds of the District designated "Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area)" in the aggregate principal amount of \$[Bond Amount] (the "Series 2023 Bonds") issued under a Master Trust Indenture, dated as of July 1, 2023 (the "Master Indenture"), between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture, dated as of July 1, 2023 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture"), between the District and the Trustee (the Series 2023 Bonds together with any other Bonds issued under and governed by the terms of the Master Indenture are hereinafter collectively referred to as the "Bonds"). The District will apply the proceeds of the Series 2023 Bonds to (a) finance a portion of the Cost of acquiring, constructing and equipping assessable improvements comprising the Series 2023 Project, (b) pay certain costs associated with the issuance of the Series 2023 Bonds, (c) make a deposit into the Series 2023 Reserve Account to be held for the benefit of all of the Series 2023 Bonds, and (d) pay a portion of the interest to become due on the Series 2023 Bonds.

NEITHER THIS BOND NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THIS BOND AND THE

SERIES OF WHICH IT IS A PART AND THE INTEREST AND PREMIUM, IF ANY, PAYABLE HEREON AND THEREON DO NOT CONSTITUTE EITHER A PLEDGE OF THE FULL FAITH AND CREDIT OF THE DISTRICT OR A LIEN UPON ANY PROPERTY OF THE DISTRICT OTHER THAN AS PROVIDED IN THE INDENTURE. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE TERMS HEREOF SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2023 PLEDGED REVENUES AND THE SERIES 2023 PLEDGED FUNDS PLEDGED TO THE SERIES 2023 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

This Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 190, Florida Statutes, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the corporate trust office of the Trustee. Reference is hereby made to the Indenture for the provisions, among others, with respect to the custody and application of the proceeds of Series 2023 Bonds issued under the Indenture, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, Amortization Installments and Redemption Price of, and the interest on, the Series 2023 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2023 Assessments, the terms and conditions under which the Series 2023 Bonds are or may be issued, the rights, duties, obligations and immunities of the District and the Trustee under the Indenture and the rights of the Owners of the Series 2023 Bonds and, by the acceptance of this Bond, the Owner hereof assents to all of the provisions of the Indenture. The Series 2023 Bonds are equally and ratably secured by the Series 2023 Trust Estate, without preference or priority of one Series 2023 Bond over another. The Supplemental Indenture does not authorize the issuance of any additional Bonds ranking on parity with the Series 2023 Bonds as to the lien and pledge of the Series 2023 Trust Estate except, under certain circumstances, Refunding Bonds, and the Supplemental Indenture contains provisions limiting the imposition of capital Assessments on property subject to the Series 2023 Assessments.

The Series 2023 Bonds are issuable only as registered bonds without coupons in current interest form in denominations of \$5,000 or any integral multiple thereof (an "Authorized Denomination"); provided, however, that the Series 2023 Bonds shall be delivered to the initial purchasers thereof only in aggregate principal amounts of \$100,000 or integral multiples of Authorized Denominations in excess of \$100,000. 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.

The Series 2023 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20[ ] at the Redemption Price of the principal amount of the Series 2023 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

The Series 2023 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 2023 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

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

The Series 2023 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 2023 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

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\* Final maturity

The Series 2023 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 2023 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

---

\* Final maturity

The Series 2023 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 2023 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

**May 1  
of the Year**

**Amortization  
Installment**

**May 1  
of the Year**

**Amortization  
Installment**

---

\* Final maturity

As more particularly set forth in the Indenture, any Series 2023 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 2023 Bonds. Amortization Installments are also subject to recalculation, as provided in the

Supplemental Indenture, as the result of the redemption of Series 2023 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2023 Bonds as set forth in the Supplemental Indenture.

The Series 2023 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of one hundred percent (100%) of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

(a) on or after the Date of Completion of the Series 2023 Project, by application of moneys transferred from the Series 2023 Acquisition and Construction Account to the Series 2023 Prepayment Subaccount as provided for in the Indenture; or

(b) from amounts, including Series 2023 Prepayments, required by the Indenture to be deposited into the Series 2023 Prepayment Subaccount; or

(c) from amounts transferred from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount resulting from a reduction in the Series 2023 Reserve Account Requirement as provided for in the Indenture; or

(d) on the date on which the amount on deposit in the Series 2023 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2023 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2023 Bonds shall be called for redemption, the particular Series 2023 Bonds or portions of Series 2023 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

Notice of each redemption of Series 2023 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the date of redemption to each registered Owner of Series 2023 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 2023 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2023 Bonds or such portions thereof on such date, interest on such Series 2023 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2023 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture



and the Owners thereof shall have no rights in respect of such Series 2023 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

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

The Owner of this Bond shall have no right to enforce the provisions of the Indenture or to institute an action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

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

Modifications or alterations of the Master Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Master Indenture.

Any moneys held by the Trustee or any Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for two (2) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption, if such moneys were held by the Trustee or any Paying Agent at such date, or for two (2) years after the date of deposit of such moneys if deposited with the Trustee or Paying Agent after the date when such Bond became due and payable, shall be paid to the District, and thereupon and thereafter no claimant shall have any rights against the Paying Agent to or in respect of such moneys.

If the District deposits or causes to be deposited with the Trustee cash or Federal Securities sufficient to pay the principal or Redemption Price of any Series 2023 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Indenture, together with the interest accrued to the due date, the lien of the Series 2023 Bonds as to the Series 2023 Trust Estate shall be

discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State of Florida.

This Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

All acts, conditions and things required by the Constitution and laws of the State of Florida and the resolutions of the District to happen, exist and be performed precedent to and in the issuance of this Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Indenture until it shall have been authenticated by the execution by the Trustee of the Certificate of Authentication endorsed hereon.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, Lake Lizzie Community Development District has caused this Bond to bear the signature of the Chairman of its Board of Supervisors and the official seal of the District to be impressed or imprinted hereon and attested by the signature of the Secretary to the Board of Supervisors.

Attest:

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Secretary

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

**(SEAL)**

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

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

Date of Authentication:

[Closing Date] \_\_\_\_\_

By: \_\_\_\_\_  
Vice President

**CERTIFICATE OF VALIDATION**

This Bond is one of a Series of Bonds which were validated by judgment of the Ninth Judicial Circuit of Florida, in and for Osceola County rendered on March 20, 2023.

\_\_\_\_\_  
Chairman, Board of Supervisors,  
Lake Lizzie  
Community Development District

**[FORM OF ABBREVIATIONS]**

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations.

TEN COM as tenants in common

TEN ENT as tenants by the entireties

JT TEN as joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT - \_\_\_\_\_ Custodian \_\_\_\_\_ under  
Uniform Transfer to Minors Act \_\_\_\_\_ (Cust.) \_\_\_\_\_ (Minor)  
(State)

Additional abbreviations may also be used though not in the above list.

**[FORM OF ASSIGNMENT]**

For value received, the undersigned hereby sells, assigns and transfers unto \_\_\_\_\_ the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints \_\_\_\_\_, attorney to transfer the said Bond on the books of the District, with full power of substitution in the premises.

Dated:

Social Security Number or Employer:

Identification Number of Transferee:

Signature guaranteed:

NOTICE: Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within Bond in every particular without alteration or any change whatsoever.

**EXHIBIT C**

**FORM OF REQUISITION FOR SERIES 2023 PROJECT**

The undersigned, an Authorized Officer of Lake Lizzie Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture between the District and U.S. Bank Trust Company, National Association, Fort Lauderdale, Florida, as trustee (the "Trustee"), dated as of July 1, 2023 (the "Master Indenture"), as supplemented by the First Supplemental Trust Indenture between the District and the Trustee, dated as of July 1, 2023 (the "Supplemental Indenture" and together with the Master Indenture, the "Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Indenture):

(A) Requisition Number:

(B) Name of Payee:

(C) Amount Payable:

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

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

The undersigned hereby certifies that:

obligations in the stated amount set forth above have been incurred by the District, that each disbursement set forth above is a proper charge against the Series 2023 Acquisition and Construction Account referenced above, that each disbursement set forth above was incurred in connection with the acquisition and/or construction of the Series 2023 Project and each represents a Cost of the Series 2023 Project, and has not previously been paid out of such Account;

OR

this requisition is for costs of issuance payable from the Series 2023 Costs of Issuance Account that has not previously been paid out of such Account.

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

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

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

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

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

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

If this requisition is for a disbursement from other than the Series 2023 Costs of Issuance Account, the undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Series 2023 Project and is consistent with (a) the applicable acquisition or construction contract, (b) the plans and specifications for the portion of the Series 2023 Project with respect to which such disbursement is being made, and (c) the report of the Consulting Engineer attached as an exhibit to the Supplemental Indenture, as such report shall have been amended or modified on the date hereof.

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

# SECTION 4

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED JUNE \_\_, 2023**

**NEW ISSUE - BOOK-ENTRY ONLY**

**NOT RATED**

*In the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, under existing statutes, regulations, rulings and court decisions and subject to the conditions described herein under "TAX MATTERS," interest on the Series 2023 Bonds is (a) excludable from gross income of the owners thereof for federal income tax purposes, except as otherwise described herein under the caption "TAX MATTERS" and (b) not an item of tax preference for purposes of the federal alternative minimum tax; provided, however, with respect to certain corporations, interest on the Series 2023 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. See "TAX MATTERS" herein for a general discussion of Bond Counsel's opinion and other tax considerations.*

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
(Osceola County, Florida)**

**\$3,430,000\* Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area)**

**Dated: Date of delivery**

**Due: May 1, as shown below**

The \$3,430,000\* Lake Lizzie Community Development District Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the "Series 2023 Bonds") are being issued by the Lake Lizzie Community Development District (the "District") pursuant to a Master Trust Indenture dated as of [July 1, 2023] (the "Master Indenture") between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of [July 1, 2023] (the "First Supplemental Indenture," and, together with the Master Indenture, the "Indenture"), between the District and the Trustee. The Series 2023 Bonds are being issued only in fully registered form, in denominations of \$5,000 or any integral multiple thereof; provided, however, that delivery of the Series 2023 Bonds to the initial purchasers thereof shall only be in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), the Florida Constitution, and other applicable provisions of law and Ordinance No. 2022-18, enacted by the County Commission of Osceola County, Florida (the "County"), and effective on October 17, 2022.

The Series 2023 Bonds are payable from and secured by the Series 2023 Trust Estate, which includes the Series 2023 Pledged Revenues and the Series 2023 Pledged Funds. The Series 2023 Pledged Revenues consist of the revenues derived by the District from non-ad valorem special assessments levied for Debt Service on the Series 2023 Bonds against the lands in the District that are subject to assessment as a result of the Series 2023 Project (as defined herein). The Series 2023 Pledged Funds consist of the Funds and Accounts (except for the Series 2023 Rebate Account) established by the Indenture. See "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS."

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

Some or all of the Series 2023 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts and at the redemption prices as more fully described herein.

The Series 2023 Bonds are being issued to: (i) finance a portion of the Cost of acquiring, constructing and equipping the Series 2023 Project, as more particularly described herein; (ii) pay certain costs associated with the issuance of the Series 2023 Bonds; (iii) make a deposit into the Series 2023 Reserve Account to be held for the benefit of all of the Series 2023 Bonds; and (iv) pay a portion of the interest to become due on the Series 2023 Bonds.



NEITHER THE SERIES 2023 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2023 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 2023 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2023 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2023 PLEDGED REVENUES AND THE SERIES 2023 PLEDGED FUNDS, AS PROVIDED IN THE SERIES 2023 BONDS AND IN THE INDENTURE.

THE SERIES 2023 BONDS INVOLVE A DEGREE OF RISK (SEE "BONDOWNERS' RISKS" HEREIN) AND ARE NOT SUITABLE FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2023 BONDS TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. THE LIMITATION ON THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2023 BONDS. THE SERIES 2023 BONDS ARE NOT RATED OR CREDIT ENHANCED AND NO APPLICATION HAS BEEN MADE FOR A RATING OR CREDIT ENHANCEMENT WITH RESPECT TO THE SERIES 2023 BONDS NOR IS THERE ANY REASON TO BELIEVE THAT THE DISTRICT WOULD HAVE BEEN SUCCESSFUL IN OBTAINING EITHER CREDIT ENHANCEMENT FOR THE SERIES 2023 BONDS OR A RATING FOR THE SERIES 2023 BONDS HAD APPLICATION BEEN MADE. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE SERIES 2023 BONDS. SEE "SUITABILITY FOR INVESTMENT" AND "BONDOWNERS' RISKS" HEREIN.

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

**AMOUNTS, INTEREST RATES, MATURITIES, YIELDS, PRICES AND INITIAL CUSIP NUMBERS<sup>†</sup>**

\$ \_\_\_\_\_ % Series 2023 Term Bond Due May 1, 20\_\_ - Yield: \_\_\_\_% - Price: \_\_\_\_ - CUSIP No. \_\_\_\_\_<sup>†</sup>  
\$ \_\_\_\_\_ % Series 2023 Term Bond Due May 1, 20\_\_ - Yield: \_\_\_\_% - Price: \_\_\_\_ - CUSIP No. \_\_\_\_\_<sup>†</sup>  
\$ \_\_\_\_\_ % Series 2023 Term Bond Due May 1, 20\_\_ - Yield: \_\_\_\_% - Price: \_\_\_\_ - CUSIP No. \_\_\_\_\_<sup>†</sup>  
\$ \_\_\_\_\_ % Series 2023 Term Bond Due May 1, 20\_\_ - Yield: \_\_\_\_% - Price: \_\_\_\_ - CUSIP No. \_\_\_\_\_<sup>†</sup>

*The Series 2023 Bonds are offered for delivery when, as and if issued by the District and accepted by MBS Capital Markets, LLC, the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2023 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel, Kutak Rock LLP, Tallahassee, Florida, for the Developer by its in-house counsel, for the Trustee by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida, and for the Underwriter by its counsel, Bryant Miller Olive P.A., Orlando, Florida. It is expected that the Series 2023 Bonds will be available for delivery through the facilities of The Depository Trust Company in New York, New York on or about [July --, 2023].*

**MBS CAPITAL MARKETS, LLC**

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

\* Preliminary, subject to change.

<sup>†</sup> The District is not responsible for the use of CUSIP numbers, nor is any representation made as to their correctness. They are included solely for the convenience of the readers of this Limited Offering Memorandum.

**RED HERRING LANGUAGE:**

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

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS**

Anthony Iorio<sup>†</sup>, Chair  
Doug Beasley<sup>†</sup>, Vice Chair  
Jason Lonas<sup>†</sup>, Assistant Secretary  
Thomas Franklin, Assistant Secretary  
Duane “Rocky” Owen, Assistant Secretary

**DISTRICT MANAGER**

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

**METHODOLOGY CONSULTANT**

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

**DISTRICT COUNSEL**

Kutak Rock LLP  
Tallahassee, Florida

**CONSULTING ENGINEER**

Hanson, Walter & Associates, Inc.  
Kissimmee, Florida

**BOND COUNSEL**

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

**COUNSEL TO THE UNDERWRITER**

Bryant Miller Olive P.A.  
Orlando, Florida

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<sup>†</sup> Affiliates of Developer or related entities.

## REGARDING USE OF THIS LIMITED OFFERING MEMORANDUM

No dealer, broker, salesman or other person has been authorized by the District, the State of Florida 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 any of the foregoing. This Limited Offering Memorandum does not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of the Series 2023 Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. The information set forth herein has been obtained from the District, the District Manager, the Developer, the Consulting Engineer, the Methodology Consultant and other sources that are believed by the Underwriter to be reliable. The District, the District Manager, the Developer, the Consulting Engineer and the Methodology Consultant will, at closing, deliver certificates certifying that certain of the information each supplied does not contain any untrue statement of a material fact or omit to state a material fact required to be stated herein or necessary to make the statements herein, in light of the circumstances under which they were made, not misleading. The information and expressions of opinion herein are subject to change without notice, and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder shall, under any circumstances, create any implication that there has been no change with respect to the matters described herein since the date hereof.

The information set forth herein has been obtained from public documents, records and other sources, including the District and the Developer, which are believed to be reliable, but it is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation of, the Underwriter. The Underwriter has provided the following sentence for inclusion in this Limited Offering Memorandum. The Underwriter has reviewed the information in this Limited Offering Memorandum in accordance with, and as part of, its responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

Statements contained herein that are not purely historical, are forward-looking statements, including statements regarding the District's and the Developer's expectations, hopes, intentions, or strategies regarding the future. Readers should not place undue reliance on forward-looking statements. All forward-looking statements included herein are based on information available on the date hereof, and the District assumes no obligation to update any such forward-looking statements, except as provided under the caption "CONTINUING DISCLOSURE" herein. Such forward-looking statements are necessarily based on various assumptions and estimates and are inherently subject to various risks and uncertainties, including risks and uncertainties relating to the possible invalidity of the underlying assumptions and estimates and possible changes or developments in social, economic, business, industry, market, legal, and regulatory circumstances and conditions and actions taken or omitted to be taken by third parties. Assumptions related to the foregoing involve judgments with respect to, among other things, future economic, competitive, and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond the control of the District and the Developer. Actual results could differ materially from those discussed in such forward-looking statements and, therefore, there can be no assurance that the forward-looking statements included herein will prove to be accurate.

THE UNDERWRITER IS LIMITING THIS OFFERING TO ACCREDITED INVESTORS WITHIN THE MEANING OF THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES. HOWEVER, THE LIMITATION ON THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES

NOT DENOTE RESTRICTIONS ON TRANSFERS IN ANY SECONDARY MARKET FOR THE SERIES 2023 BONDS.

THE SERIES 2023 BONDS 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 2023 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF BY SUCH JURISDICTIONS. NEITHER THE DISTRICT, OSCEOLA COUNTY, FLORIDA, THE STATE OF FLORIDA NOR ANY OTHER POLITICAL SUBDIVISION OR AGENCY THEREOF HAS GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 2023 BONDS OR UPON THE PROBABILITY OF ANY EARNINGS THEREON. OTHER THAN THE DISTRICT, NEITHER OSCEOLA COUNTY, FLORIDA, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISION THEREOF HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

THE ORDER AND PLACEMENT OF MATERIALS IN THIS LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES, ARE NOT TO BE DEEMED A DETERMINATION OF RELEVANCE, MATERIALITY OR IMPORTANCE, AND THIS LIMITED OFFERING MEMORANDUM, INCLUDING THE APPENDICES, MUST BE CONSIDERED IN ITS ENTIRETY. THE CAPTIONS AND HEADINGS IN THIS LIMITED OFFERING MEMORANDUM ARE FOR CONVENIENCE OF REFERENCE ONLY AND IN NO WAY DEFINE, LIMIT OR DESCRIBE THE SCOPE OR INTENT, OR AFFECT THE MEANING OR CONSTRUCTION, OF ANY PROVISIONS OR SECTIONS IN THIS LIMITED OFFERING MEMORANDUM.

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS EITHER IN BOUND PRINTED FORM ("ORIGINAL BOUND FORMAT") OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: WWW.MUNIOS.COM AND WWW.EMMA.MSRB.ORG. THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT OR AS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE DISTRICT'S WEBSITE OR ANY OTHER WEBSITE CONTAINING INFORMATION ABOUT THE DISTRICT, THE DEVELOPMENT OR THE DEVELOPER, 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 SECURITIES AND EXCHANGE COMMISSION.

THIS LIMITED OFFERING MEMORANDUM IS NOT, AND SHALL NOT BE DEEMED TO CONSTITUTE, AN OFFER TO SELL, OR THE SOLICITATION OF AN OFFER TO BUY REAL ESTATE, WHICH MAY ONLY BE MADE PURSUANT TO OFFERING DOCUMENTS SATISFYING APPLICABLE FEDERAL AND STATE LAWS RELATING TO THE OFFER AND SALE OF REAL ESTATE.

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

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## LIMITED OFFERING MEMORANDUM

*relating to*

### LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT (Osceola County, Florida)

#### **\$3,430,000\* Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area)**

#### INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page and appendices hereto, is to set forth certain information concerning the Lake Lizzie Community Development District (the "District"), in connection with the offering and issuance by the District of its Capital Improvement Revenue Bonds, Series 2023 (2023 Assessment Area) (the "Series 2023 Bonds"). The District was created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), the Florida Constitution, and other applicable provisions of law and Ordinance No. 2022-18 (the "Ordinance"), enacted by the County Commission of Osceola County, Florida (the "County"), on and effective as of October 17, 2022. The Series 2023 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of [July 1, 2023] (the "Master Indenture") between the District and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented by a First Supplemental Trust Indenture dated as of [July 1, 2023] (the "First Supplemental Indenture," and, together with the Master Indenture, the "Indenture"), between the District and the Trustee, and resolutions of the District authorizing the issuance of the Series 2023 Bonds. All capitalized terms used in this Limited Offering Memorandum that are defined in the Indenture and not defined herein shall have the respective meanings set forth in the forms of the Master Indenture and First Supplemental Indenture, both of which appear as composite APPENDIX C attached hereto. The information contained in this Introduction is part of this Limited Offering Memorandum and is subject in all respects to the more complete information contained in or incorporated into this Limited Offering Memorandum. This Introduction should not be considered a complete statement of the facts material to making an investment decision. This Limited Offering Memorandum speaks only as of its date and the information contained herein is subject to change.

THE SERIES 2023 BONDS ARE NOT RATED OR CREDIT ENHANCED, AND ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS (SEE "SUITABILITY FOR INVESTMENT" AND "BONDOWNERS' RISKS" HEREIN).

PROSPECTIVE INVESTORS MAY REQUEST SUCH ADDITIONAL INFORMATION AS DESCRIBED HEREIN UNDER THE CAPTION "SUITABILITY FOR INVESTMENT." THEREFORE, PROSPECTIVE INVESTORS SHOULD RELY UPON THE INFORMATION APPEARING IN THIS LIMITED OFFERING MEMORANDUM WITHIN THE CONTEXT OF THE AVAILABILITY OF SUCH ADDITIONAL INFORMATION AND THE SOURCES THEREOF.

The District was established for the purposes, among other things, of financing and managing the acquisition, construction, installation, maintenance and operation of the major infrastructure necessary for development in the community known as Trinity Place, as hereafter described (the "Development"). The primary landowner and developer of the Development is Hanover Tyson, LLC, a Florida limited liability

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\* Preliminary, subject to change.

company (the "Developer"), as described herein under the caption "THE DEVELOPER." The Act authorizes the District to issue bonds for the purpose, among others, of financing, funding, planning, establishing, acquiring, constructing or reconstructing, enlarging or extending, equipping, operating and maintaining water management, water supply, sewer and wastewater management, bridges or culverts, district roads, street lights and other basic infrastructure projects within or without the boundaries of the District, as provided in the Act.

Consistent with the requirements of the Indenture and the Act, the Series 2023 Bonds are being issued for the primary purpose of financing a portion of the Costs of acquiring, constructing and equipping assessable improvements comprising the Series 2023 Project, as more fully described herein, paying certain costs associated with the issuance of the Series 2023 Bonds, making a deposit into the Series 2023 Reserve Account to be held for the benefit of all of the Series 2023 Bonds and paying a portion of the interest to become due on the Series 2023 Bonds.

The Series 2023 Bonds are payable from and secured by the revenues derived by the District from the Series 2023 Assessments (as defined in the First Supplemental Indenture) and amounts in the Funds and Accounts (except for the Series 2023 Rebate Account) established by the First Supplemental Indenture. Series 2023 Assessments will be levied on the 193 platted single-family residential units comprising Phase 1 of the Development (the "2023 Assessment Area"). See, "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B – ASSESSMENT REPORT" attached hereto.

The Series 2023 Assessments represent an allocation of a portion of the Costs of the Series 2023 Project (hereinafter defined), including bond financing costs, to the 2023 Assessment Area in accordance with the assessment methodology set forth in the Assessment Report (hereinafter defined), as prepared by the District's Methodology Consultant, Governmental Management Services – Central Florida, Orlando, Florida, attached hereto as APPENDIX B.

"Assessments" is defined in the Master Indenture to mean all assessments levied and collected by or on behalf of the District pursuant to Section 190.022 of the Act, together with the interest specified by resolution adopted by the Governing Body, the interest specified in Chapter 170, Florida Statutes, 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.

"Delinquent Assessments" is defined in the First Supplemental Indenture to mean, collectively, any Series 2023 Assessment Principal and Series 2023 Assessment Interest which are deposited by the District with the Trustee on or after May 1 of the year in which such Series 2023 Assessment Principal and Series 2023 Assessment Interest has, or would have, become delinquent under State law or the Series 2023 Assessment Proceedings applicable thereto.

The District covenants and agrees in the Indenture that other than Refunding Bonds issued to refund the then Outstanding Series 2023 Bonds, the issuance of which results in net present value Debt Service savings, the District shall not, while any Series 2023 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2023 Trust Estate. The District further covenants and agrees in the Indenture that so long as the Series 2023 Assessments have not been Substantially Absorbed, it will not

impose Assessments for capital projects on any lands subject to the Series 2023 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Assessments on property subject to the Series 2023 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

“Substantially Absorbed” is defined in the First Supplemental Indenture to mean the date on which the principal amount of the Series 2023 Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2023 Bonds is levied on tax parcels within the 2023 Assessment Area with respect to which a certificate of occupancy has been issued for a structure thereon and are owned by end users, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.

There follows in this Limited Offering Memorandum a brief description of the District, the CIP (hereinafter defined) and the Series 2023 Project and the components thereof, the Development and the Developer, together with summaries of the terms of the Indenture, the Series 2023 Bonds and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statutes and all references to the Series 2023 Bonds are qualified by reference to the definitive form thereof and the information with respect thereto contained in the Indenture. Forms of the Master Indenture and the First Supplemental Indenture are attached hereto as composite APPENDIX C. The information herein under the captions “THE DEVELOPMENT” and “THE DEVELOPER” has been furnished by the Developer and has been included herein without independent investigation by the District or District Counsel, the Underwriter or its counsel, or Bond Counsel, and the District and the Underwriter make no representation or warranty concerning the accuracy or completeness of such information. The Developer makes no representation or warranty as to the accuracy or completeness of information contained herein which has been furnished by any other party to the transactions contemplated hereby.

### **SUITABILITY FOR INVESTMENT**

While the Series 2023 Bonds are not subject to registration under the Securities Act of 1933, as amended (the “Securities Act”), the Underwriter has determined that the Series 2023 Bonds are not suitable for investment by persons other than, and, as required by Chapter 189, Florida Statutes, will offer the Series 2023 Bonds only to, “accredited investors,” within the meaning of Chapter 517, Florida Statutes, and the rules promulgated thereunder (“Accredited Investors”). However, the limitation of the initial offering to Accredited Investors does not denote restrictions on transfers in any secondary market for the Series 2023 Bonds. Prospective investors in the Series 2023 Bonds should have such knowledge and experience in financial and business matters to be capable of evaluating the merits and risks of an investment in the Series 2023 Bonds and should have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment.

Investment in the Series 2023 Bonds poses certain economic risks. No dealer, broker, salesman 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. Additional information will be made available to each prospective investor, and the opportunity to ask questions of the staff of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the Series 2023 Bonds. Prospective investors are encouraged to request such additional information and ask such questions. Such requests should be directed to:

Brett Sealy  
MBS Capital Markets, LLC  
152 Lincoln Avenue  
Winter Park, Florida 32789  
(407) 808-0685

## **THE DISTRICT**

### **General**

The District was established pursuant to the Ordinance. The District is an independent local unit of special purpose government created in accordance with the Act. The District encompasses approximately 72.18 acres within unincorporated Osceola County, Florida and generally located north of Lake Lizzie Drive and west of Pine Grove Road.

### **Legal Powers and Authority**

The District is an independent unit of local government created pursuant to, and established in accordance with, the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida (the "State"). The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development.

As a community development district, the District only has those powers specifically delegated to it by the Act and the Ordinance, or necessarily implied from powers specifically delegated to it. The Act provides that community development districts have the power to issue general obligation, revenue and special assessment revenue debt obligations in any combination to pay all or part of the cost of infrastructure improvements authorized under the Act. The Act further provides that community development districts have the power under certain conditions to levy and assess ad valorem assessments or non-ad valorem assessments (such as the Series 2023 Assessments) on all taxable real and tangible personal property within their boundaries to pay the principal of and interest on debt obligations issued and to provide for any sinking or other funds established in connection with any such debt obligation issues. Pursuant to the Act, such assessments may be assessed, levied, collected and enforced in the same manner and time as county property taxes.

Among other provisions, the Act gives the District's Board of Supervisors the authority to, among other things, (a) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities, and basic infrastructure for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges; (ii) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system; (iii) bridges or culverts that may be needed across any drain, ditch, canal, floodway, holding basin, excavation, public highway, tract, grade, fill, or cut and roadways over levees and embankments, and to construct any and all of such works and improvements across, through, or over any public right-of-way,

highway, grade, fill, or cut; (iv) District roads equal to or exceeding the specifications of the county in which such District roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines; (v) conservation areas, mitigation areas, and wildlife habitat; (vi) any other project, facility, or service required by a development order, development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District, and (vi) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses, and security; (b) borrow money and issue bonds of the District; (c) impose and foreclose special assessment liens as provided in the Act; and (d) exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

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

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens.

### **Board of Supervisors**

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

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

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such

that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

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

The current members of the Board and their respective term expiration dates are set forth below.

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Anthony Iorio <sup>†</sup>	Chairperson	November 2026
Doug Beasley <sup>†</sup>	Vice Chairperson	November 2026
Jason Lonas <sup>†</sup>	Assistant Secretary	November 2026
Thomas Franklin	Assistant Secretary	November 2024
Duane "Rocky" Owen	Assistant Secretary	November 2024

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<sup>†</sup> Affiliates of Developer or related entities.

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 the State's open meeting or "Sunshine" law.

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

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

The District has hired Governmental Management Services – Central Florida, LLC, (the "District Manager") to serve as District Manager. The District Manager's office is located at 219 East Livingston Street, Orlando, Florida 32801.

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

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, as Bond Counsel; Kutak Rock LLP, Tallahassee, Florida, as District Counsel; Hanson, Walter & Associates, Inc., Kissimmee, Florida, as Consulting Engineer; and Governmental Management Services – Central Florida, LLC, Orlando, Florida, as Methodology Consultant (the "Methodology Consultant") to prepare the Assessment Report for the Series 2023 Bonds. Governmental Management Services – Central Florida, LLC, has not been engaged to provide advice regarding the structuring or pricing of the Series 2023 Bonds.

## THE CAPITAL IMPROVEMENT PROGRAM AND SERIES 2023 PROJECT

A description of the District’s capital improvement program (the “CIP”) is set forth in the District’s Amended and Restated Engineer’s Report dated November 2, 2022, as updated May 31, 2023 (the “Engineer’s Report”), and prepared by the Consulting Engineer. The Engineer’s Report further details the infrastructure and estimated costs associated with the initial phase of the CIP (the “Series 2023 Project”), a portion of which will be financed with proceeds of the Series 2023 Bonds. The information in this section relating to the CIP and the Series 2023 Project is qualified in its entirety by reference to such Engineer’s Report which is attached hereto as APPENDIX A and which should be read in its entirety.

The District’s CIP is estimated to cost approximately \$18.373 million and includes roadways, stormwater management facilities, water, wastewater and reclaim facilities, electrical and lighting, landscaping, irrigation, environmental conservation, and associated professional fees as detailed in the table below. The CIP will be constructed in two (2) phases, which corresponds with the development phases of the Development. The first phase is planned to include infrastructure for the development of the 193 single-family units comprising the first phase of the Development (“Phase 1” or the “2023 Assessment Area”) and the second phase is planned to include infrastructure for the development of the 118 single-family units comprising the second phase of the Development (“Phase 2”).

The Series 2023 Project includes certain master and neighborhood infrastructure improvements associated with the initial phase of the District’s CIP and necessary to support development of the 2023 Assessment Area. The total estimated cost of the Series 2023 Project is approximately \$14.849 million. A summary of the estimated costs of the District’s CIP, including the Series 2023 Project, is set forth in the table below.

Infrastructure Description	Phase 1 Est. Costs	Phase 2 Est. Costs	Total
Roadways	\$3,063,000	\$ 534,000	\$3,597,000
Stormwater Management	\$3,750,000	\$ 590,000	\$4,340,000
Utilities (Water, Sewer, Reclaim)	\$4,372,000	\$1,100,000	\$5,472,000
Hardscape/Landscape/Irrigation/Trails	\$ 343,000	\$ 240,000	\$ 583,000
Undergrounding of Conduit	\$ 456,000	\$ 320,000	\$ 776,000
Environmental Conservation/Mitigation	\$ 428,000	\$ 0	\$ 428,000
Professional Services	\$ 500,000	\$ 280,000	\$ 780,000
Contingency (15%)	<u>\$1,937,000</u>	<u>\$ 460,000</u>	<u>\$2,397,000</u>
<b>TOTAL</b>	<b>\$14,849,000</b>	<b>\$3,524,000</b>	<b>\$18,373,000</b>

Proceeds of the Series 2023 Bonds in the estimated amount of approximately \$2.8 million will be used to acquire completed portions of the Series 2023 Project. As more fully discussed under the caption “THE DEVELOPMENT – Land Acquisition/Development Financing” herein, the Developer estimates it has expended approximately \$7.5 million to date in development-related expenditures allocable to the 2023 Assessment Area. The remainder of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds is anticipated to be funded with contributions from the Developer. In connection with the issuance of the Series 2023 Bonds, the District and the Developer will enter into a Completion Agreement whereby the Developer will agree to complete those portions of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds. The District cannot make any representation that the Developer will have sufficient



funds to complete the Series 2023 Project and the District does not anticipate issuance additional Bonds to fund the Series 2023 Project. See “SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS – Completion Agreement” and “BONDOWNERS’ RISKS – Completion of Series 2023 Project and CIP” herein. Phase 2 of the District’s CIP is anticipated to be financed utilizing proceeds from a future Series of Bonds or directly by the Developer.

The status of construction and permitting for the CIP is outlined in the Engineer's Report attached hereto as APPENDIX A. The Consulting Engineer has indicated that all permits necessary to construct the Series 2023 Project have either been obtained or are expected to be obtained in the ordinary course. In addition to the Engineer's Report, please refer to “THE DEVELOPMENT - Zoning, Development Agreements and Permitting” for a more detailed description of the entitlement, zoning and permitting status of the Development.

**ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS**

The District has adopted the Master Assessment Methodology dated November 2, 2022 (the "Master Assessment Report") and the [First Supplemental Assessment Methodology for Series 2023 Bonds dated [June [--], 2023]] (the "Supplemental Assessment Report" and, together with the Master Assessment Report, the "Assessment Report"), both of which are attached hereto as composite APPENDIX B. The Master Assessment Report provides for a methodology to allocate the total costs and benefits derived from the CIP to the lands within the District and the Supplemental Assessment Report applies the methodology set out in the Master Assessment Report to the Series 2023 Project and the Series 2023 Assessments levied in connection with the Series 2023 Bonds.

The 2023 Assessment Area, comprised of 193 single-family residential units in Phase 1, has been fully platted. The Supplemental Assessment Report provides for the assignment of the Series 2023 Assessments on each of the 193 platted units within the 2023 Assessment Area according to product type as more particularly set forth in the Supplemental Assessment Report.

The table below presents the estimated principal and annual Series 2023 Assessments that will be levied by the District for each of the respective product types in the 2023 Assessment Area in connection with the issuance of the Series 2023 Bonds.

<b>Product Type</b>	<b>Units</b>	<b>Est. Series 2023 Bonds Principal Per Unit</b>	<b>Est. Series 2023 Bonds Gross Annual Debt Service Per Unit*</b>
Single-Family – 34'	52	\$16,791	\$1,250
Single-Family – 50'	141	18,134	1,350
	<b>193</b>		

\* Includes gross-up of 4% for early payment and 2% for collection fees imposed by the County.

## THE DEVELOPMENT

*The following information appearing under the captions "THE DEVELOPMENT" and "THE DEVELOPER" has been furnished by the Developer for inclusion in this Limited Offering Memorandum as a means for prospective Bondholders to understand the anticipated development plan and risks associated with the Development and the provision of infrastructure to the real property within the District. Although believed to be reliable, such information has not been independently verified by the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person other than the Developer, subject to certain qualifications and limitations, makes any representation or warranty as to the accuracy or completeness of such information. At the time of the issuance of the Series 2023 Bonds, the Developer will represent in writing that the information herein under the captions "THE DEVELOPMENT," "THE DEVELOPER," "LITIGATION – The Developer," and "CONTINUING DISCLOSURE" (as it relates to the Developer) does not contain any untrue statement of a material fact and does not omit to state any material fact necessary in order to make the statements made herein, in light of the circumstances under which they are made, not misleading.*

*The Developer's obligation to pay the Series 2023 Assessments is limited solely to its obligation as a landowner, just as any other landowner within the District. The Developer is not a guarantor of payment on any property within the District and the recourse for the Developer's failure to pay or otherwise comply with its obligations to the District is limited to its ownership interest in the land subject to the Series 2023 Assessments.*

### General

Trinity Place (the "Development") consists of approximately seventy-two (72) acres and is located within the County. The boundaries of the Development and the District are co-terminus. The Development is bound on the east by Pine Grove Road, on the south by Lake Lizzie Drive and sits just north of U.S. Highway 192. The main entrance to the Development is situated at Pine Grove Road. A second access to the Development is proposed along the southern border of the District at Lake Lizzie Drive. State Road 417 (Central Florida Greenway) and SR 528 (Beach Line) can be accessed via Narcoossee Road approximately thirteen (13) and seventeen (17) miles north, respectively. The Orlando International Airport and downtown Orlando are located approximately twenty-three (23) miles and thirty-three (33) miles northeast from the Development, respectively. In addition, theme parks and attractions, including Walt Disney World and Universal Studios Orlando, are located approximately twenty-six (26) and twenty-eight (28) miles northwest from the Development, respectively

A number of entertainment, retail and dining options are located within close proximity to the Development. Trinity Place is in close proximity to Lake Toho which, with a surface area of nearly 23,000 acres, is the largest lake in the County. Lake Toho and nearby Lake Lizzie provide boating and other watercraft opportunities as well as world-renowned bass fishing. Retail and dining opportunities are located along U.S. Highway 192 which is less than one (1) mile from the Development. Big box retailers such as Walmart and Home Depot are located less than seven (7) miles west of the Development. Further, a Publix grocery store is also located approximately six (6) miles from the Development. The St. Cloud Regional Medical Center is located approximately six (6) miles west and the Veterans Affairs Medical Center at Lake Nona and Nemours Children Hospital are located approximately thirteen (13) miles northwest of the Development.

The Development is currently planned to include 311 single-family residential units. As described further herein, pursuant to a lot purchase agreement with the Developer, DRB Homes and Landsea Homes have contracted to purchase 152 of the 193 lots in Phase 1 (a/k/a the 2023 Assessment Area) on a takedown

basis upon development completion of such lots. As of the date hereof, development work has commenced in the Development including, without limitation, mass grading and utility work in Phase 1. Home sales and home construction activities in Phase 1 are anticipated to commence in the first quarter of 2024 with home closings anticipated to commence in the second quarter of 2024.

### **Land Acquisition/Development Financing**

On September 29, 2020, the Developer acquired the seventy-two (72) acres constituting the Development for an aggregate purchase price of approximately \$2.86 million in cash. There are no mortgages on the lands constituting the 2023 Assessment Area owned by the Developer.

To date, the Developer estimates it has expended approximately \$7.5 million in development related expenditures in Phase 1. Proceeds of the Series 2023 Bonds will be utilized to fund the acquisition of completed portions of the Series 2023 Project in the approximate amount of \$2.8 million. The remainder of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds is expected to be funded by the Developer. As discussed herein, development work in the 2023 Assessment Area is underway and is expected to be complete in the third quarter of 2023.

### **Zoning, Development Agreements and Permitting**

#### Zoning

In March 2021, the lands constituting the Development were re-zoned as Low Density Residential by the County pursuant to Ordinance No. 2021-05, which provides for the development of 311 dwelling units.

#### Development Agreements

The Development is further governed by the Preliminary Subdivision approval designated PS20-00029 and SDP21-00091 (the "Development Approvals"). The Development Approvals set forth various development conditions pertaining to the matters discussed below, among others, certain of which are further memorialized in separate agreements as noted below. The Development Approvals are valid for three (3) years and are scheduled to expire on January 7, 2025. However, the Developer has commenced construction thereby providing for the vesting of the Development Approvals through the completion of the Development.

*Development Funded County Obligation Agreement* - As part of the required improvements set forth in the Development Approvals, the Developer is required to fund the cost of the construction of a northbound left turn lane at Pine Grove Road onto Lake Lizzie Drive at its sole cost and expense. The turn lane improvement is estimated to cost \$294,071.62 which will be reimbursed entirely via mobility fee credits. A separate subdivision development plan revision for the turn lane improvements must be completed prior to the completion of Phase 2. A certificate of completion will not be issued for Phase 2 until the turn lane improvements are approved, constructed and initially accepted by the County.

*Off-site Roadway Improvements* - The extension of certain off-site roadway improvements consisting of the pavement widening, drainage improvements and utility relocation of Pines Grove Road from its current terminus to the Amelia Groves development adjacent to the Development is required. A separate subdivision development plan revision for the off-site roadway

improvements must be completed prior to the completion of Phase 2. A certificate of completion will not be issued for Phase 2 until the off-site roadway improvement are approved, constructed and initially accepted by the County.

*Water and Wastewater Service Agreement* - The Developer has entered into a water and wastewater system developer's service agreement with the City of St. Cloud (the "City") for provision of water, wastewater and reuse for the Development. Such agreement requires the Developer to construct all off-site and on-site utility improvements. Building permits will not be issued until water and sewer are provided to the site or a bond or letter of credit acceptable to the City is in place to guarantee the completion of the off-site utility improvements. Further, no certificates of occupancy shall be issued until water and sewer extensions have been completed and accepted by the City. The Developer has completed certain off-site utility improvements and additional work is currently underway on the on-site utility improvements related to the Development. Such on-site utility work is expected to be completed in the third quarter of 2023. As a condition of the provision of water and sewer service to the Development, the City may, in its sole discretion, annex the Development into the City; however, the City currently has no plans to annex the Development into the City.

#### Permits

Development work in the 2023 Assessment Area is underway and is anticipated to be complete in the third quarter of 2023. As described further in the Engineer's Report, the major permits for the Series 2023 Project have been obtained. Such permits include those from the U.S. Army Corps of Engineers for wetland impacts and environmental resource permits from the South Florida Water Management District. Upon issuance of the Series 2023 Bonds, the Consulting Engineer will certify that any permits and approvals necessary for the Development that have not previously been obtained are expected to be obtained in the ordinary course of business.

#### **Environmental**

In September 2020, the Developer commissioned a Phase I Environmental Site Assessment from Ecological Consulting Solutions, Inc. for the acreage constituting the Development which identified no evidence of on-site or off-site environmentally recognized conditions.

#### **Utilities**

Tohopekaliga Water Authority ("TOHO") is providing water, wastewater and reclaimed water services to the Development and the Orlando Utilities Commission is providing underground electrical power to the Development. Cable and internet service is being provided by Spectrum.

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## Residential Land Use and Development Plan

As previously stated herein, the development plan for the Development provides for 311 single-family units in two (2) phases. The 2023 Assessment Area is comprised of the lands in Phase 1 which has been platted into 193 single-family residential units. A summary of the unit mix and phasing is provided below, which is subject to change.

<u>Lot Size</u>	<u>Phase 1</u>	<u>Phase 2</u>	<u>Total</u>
Single-Family – 34'	52	-	52
Single-Family – 50'	141	118	259
<b>TOTAL</b>	<b>193</b>	<b>118</b>	<b>311</b>

## Development Status

Development activities in the 2023 Assessment Area commenced in March 2022 which include, without limitation, mass grading and utility work. In addition, work on off-site utility improvements related to the Water and Wastewater Service Agreement described above is complete. Development work is underway on the main entry at Pine Grove Road, which will provide immediate access to the 2023 Assessment Area. The 2023 Assessment Area (or Phase 1) has been platted into 193 single-family residential units and development work on such lots is expected to be complete in the third quarter of 2023.

## Builder Contracts

The Developer entered into a "Lot Purchase Agreement" with Landsea Homes, or an affiliate thereof (the "Landsea Lot Purchase Agreement") by way of partial assignment as a result of its acquisition of Hanover Family Builders (HFB). The Developer has also entered into a separate contract with DRB Homes (the "DRB Lot Purchase Agreement," and, together with the Landsea Lot Purchase Agreement, the "Lot Purchase Agreements"). The Lot Purchase Agreements provide for the purchase of 152 of the 193 lots within the 2023 Assessment Area.

The Landsea Lot Purchase Agreement provides for the purchase of 100 single-family 50' lots for home construction thereon by Landsea Homes and the DRB Lot Purchase Agreement provides for the purchase of fifty-two (52) single-family 34' lots for home construction thereon by DRB Homes. The Lot Purchase Agreements provide for closing on each homesite to occur in a series of takedowns upon the Developer's substantial completion of all development-related work for Phase 1. The first lot takedowns are anticipated to occur at the end of the third quarter of 2023, with final lot closings scheduled to occur by the first quarter of 2025 for all contracted lots. See the subsection "- Projected Absorption" below for a detail of the estimated lot closings by product type.

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Further, as detailed in the table below, the base lot purchase prices set forth within the Lot Purchase Agreements range from \$73,000 to \$98,000 for the single-family product types located in the 2023 Assessment Area. Pursuant to the Landsea Lot Purchase Agreement, the base lot purchase price is further subject to a purchase price escalation of 6% each year commencing on January 1, 2022, until the closing of a single-family lot. Pursuant to the Lot Purchase Agreements, Landsea Homes has made a total deposit equal to approximately \$730,000 and DRB Homes has made a total deposit of \$504,400, which will be credited against the total purchase price due at each takedown on a pro-rata, per lot basis.

<b>Product Type</b>	<b>Est. Units</b>	<b>Base Lot Pricing</b>
<b><i>Landsea Homes</i></b>		
Single-Family – 50'	95	\$73,000
Single-Family – 50' (5 lots only)	5	98,000
<b><i>DRB Homes</i></b>		
Single-Family – 34'	<u>52</u>	97,000
	<b>152</b>	

### **Participating Builders**

The following represents summary information and was obtained from the respective websites of the participating builders that are contracted to purchase lots in the 2023 Assessment Area as of the date of this Limited Offering Memorandum. Such information has not been independently verified by the Developer or its counsel, the District or its counsel, the Underwriter or its counsel, or Bond Counsel, and no person makes any representation or warranty as to the accuracy or completeness of such information.

***Landsea Homes*** (Nasdaq: LSEA) is a publicly traded residential homebuilder based in Dallas, TX. Landsea designs and builds best-in-class homes and sustainable master-planned communities in some of the nation’s most desirable markets, including New York, Boston, New Jersey, Arizona, Florida, Texas and throughout California in Silicon Valley, Los Angeles and Orange County. Landsea Homes was named the 2022 winner of the prestigious Builder of the Year award, presented by BUILDER magazine, in recognition of a historical year of transformation.

As discussed in more detail under the heading “THE DEVELOPMENT – The Orosz Family,” in January 2022 Landsea closed on the acquisition of Hanover Family Builders, a homebuilding entity that had been owned by principals of Hanover.

***DRB Homes*** is a private homebuilder that boasts over thirty (30) years of homebuilding experience and is born out of the legacies of Dan Ryan Builders, Fielding Homes and Knight Homes. DRB Homes operates in seventeen (17) active markets across the eastern United States, from Pennsylvania to Florida.

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## Projected Absorption

The following table sets forth the anticipated lot absorption schedule for residential lot takedowns by builders of the 193 lots within the 2023 Assessment Area. Lot closings are anticipated to begin in the third quarter of 2023. It is currently expected that home sales and home construction activities are anticipated to commence in the first quarter of 2024 with home closings anticipated to commence in the second quarter of 2024.

<b>Product Type</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>Total</b>
Single-Family – 34'	26	26	--	52
Single-family – 50'	45	80	16	141
<b>Total</b>	<b>71</b>	<b>106</b>	<b>16</b>	<b>193</b>

The aforementioned projections are based upon estimates and assumptions that are inherently uncertain, though considered reasonable, and are subject to significant business, economic and competitive uncertainties and contingencies, all of which are difficult to predict. As a result, there can be no assurance that such projections will occur or be realized in the time frames anticipated. See "BONDOWNERS' RISKS" herein.

## Residential Product Offerings

The information in the below table illustrates the current anticipated base pricing and square footage for the residential units in the 2023 Assessment Area, which information is subject to change.

<b>Product Type</b>	<b>Estimated Square Footage</b>	<b>Estimated Base Pricing</b>
Single-Family – 34'	2,400	\$409,000
Single-Family – 50'	2,535	439,000

## Home Construction/Sales Activity

It is currently anticipated that the home builders will construct four (4) single-family model homes. In addition, it is anticipated that Landsea Homes will construct an on-site sales center. Construction of the model homes along with an on-site sales center is anticipated to commence in the third quarter of 2023 with completion anticipated by the fourth quarter of 2023. Home sales and home construction activities are anticipated to commence in the first quarter of 2024 with home closings anticipated to commence in the second quarter of 2024.

## Recreational Amenities

The Development is planned to include recreational facilities to serve its residents. Such recreational facilities are planned to include a pool with a cabana and playgrounds. Construction of the recreational facilities is scheduled to commence in the third quarter of 2024 with a scheduled completion in the first quarter of 2025. The estimated cost for such recreational facilities is approximately \$0.7 million which will be funded by the Developer. Upon completion, it is anticipated that the recreational facilities will be conveyed to the homeowner's association established for the Development.

## Schools

Based upon current school districting, school-age children residing in the Development will attend Hickory Tree Elementary School, Harmony Middle School and Harmony High School, each located approximately seven (7) miles from the Development, and all of which received a "B" rating from the Florida Department of Education for 2022. However, future capacity limitations or redistricting could result in a change to which schools children residing in Development would attend.

## Marketing

It is anticipated that the homebuilders will undertake their own marketing efforts to market the homes in the 2023 Assessment Area. In addition to using various strategies, outlets and media, it is anticipated that the homebuilders will construct four (4) model homes and an on-site sales center within the Development.

## Fees and Assessments

Each homeowner in the 2023 Assessment Area will be required to pay annual taxes, assessments, and fees on an ongoing basis as a result of their ownership of property within the District, including ad valorem property taxes, the Series 2023 Assessments levied by the District in connection with Series 2023 Bonds, association fees, and administrative, operation and maintenance assessments levied by the District, all as described in more detail below.

Property Taxes. The current millage rate for the area in which the District is located is 18.0215. Assuming a home with a taxable value of \$375,000, the annual property tax would be approximately \$6,758.

Homeowner's Association Fees. All homeowners will be subject to annual master homeowner's association ("HOA") fees for the architectural review, deed restriction enforcement and any HOA-owned facilities. The current annual HOA fee for all homes in the 2023 Assessment Area is \$1,620 annually.

District Special Assessments. Homeowners in the 2023 Assessment Area will be subject to the Series 2023 Assessments levied in connection with the Series 2023 Bonds. In addition, all homeowners in the District will be subject to annual operation and maintenance assessments levied by the District which are derived from the District's annual budget and are subject to change each year. The table below illustrates the aforementioned annual assessments that will be levied in the 2023 Assessment Area by the District for each respective product type.

<b>Product Type</b>	<b>Units</b>	<b>Est. Series 2023 Bonds Gross Annual Debt Service Per Unit*</b>	<b>Est. FY 2023 O&amp;M Assessment Per Unit</b>
Single-Family – 34'	52	\$1,250	\$636.18
Single-Family – 50'	141	1,350	848.25
	193		

\* Includes gross-up of 4% for early payment and 2% for collection fees imposed by the County.

## Competition

The Developer expects that competition for the Development will primarily come from communities within its sub-market including those just off Pine Grove Road and Narcoossee Road to the



north of the 2023 Assessment Area, which include the Amelia Grove, Sunbrooke, Summerly, Silver Springs, Glenwood, Wiregrass, Preston Cove and Siena Reserve communities, as well as the primary home communities newly built in Sunbridge.

This section does not purport to summarize all of the existing or planned communities in the area of the Development, but rather to provide a description of those that the Developer feels pose primary competition to the homes to be constructed in the 2023 Assessment Area.

## **THE DEVELOPER**

### **The Landowner and Developer**

The landowner and developer of the Development is Hanover Tyson, LLC, a Florida limited liability company (the "Developer"). The Developer is a special purpose entity whose primary asset is its interests in the lands comprising the Development. The members of the Developer are Hanover Capital Partners 2, LLC (50%), a Florida limited liability company, and Edge Creek, LLC (50%), a Florida limited liability company. Hanover Capital Partners 2, LLC is the manager of the Developer and is wholly owned, either directly or indirectly, by members of the Orosz family. Edge Creek, LLC is an equity partner in the Developer and is a subsidiary of Emerson Investments International, Inc. ("EIII"). EIII is owned by Emerson International, Inc. and Dean Investments International, Inc., both of which are Florida corporations.

The Orosz family and Emerson (defined below) entered into a strategic relationship in 2011 and since then, entities that are part of this strategic relationship have acquired and/or developed in excess of 5,000 residential lots in twenty (20) communities, with sales to many homebuilders operating in the Orlando market. Such communities include Hanover Lakes in Osceola County for which the Osceola Chain of Lakes CDD was established.

### **The Orosz Family**

In 2007, the Orosz family, which includes William (Bill) Orosz and his three sons, Stephen, Andrew and Matthew, established Hanover Capital Partners, LLC and Hanover Land Company, LLC (collectively referred herein as, "Hanover"), to pursue real estate investment opportunities, with a particular emphasis on industrial and residential acquisition and development. Hanover also acquires office and industrial income properties for its own investment account. Currently, the company has residential land development operations and commercial real estate holdings in the six (6) county Central Florida market and in western North Carolina. The company has become one of the largest residential merchant land developers in Central Florida. Hanover is currently developing and/or controls more than 5,000 residential lots and actively markets to both public and large private builders. The firm is also an active investor in commercial real estate as well as in a large-scale resort community in North Carolina.

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As illustrated in the table below, the principals of Hanover have a rich heritage of real estate experience in Central Florida dating back to 1980. Since that time, the management team has developed more than 10,000 residential lots and built more than 25,000 homes across three (3) homebuilding companies they started and subsequently sold.

<u>Orosz Builder Entity</u>	<u>Year Started</u>	<u>Year Sold</u>	<u>Acquiring Builder Entity</u>
Cambridge Homes	1991	2005	K. Hovnanian
Royal Oak Homes	2010	2014	A.V. Homes*
Hanover Family Builders	2017	2021	Landsea Homes

\* Subsequently acquired by Taylor Morrison.

Additional information on Hanover can be found by visiting Hanover's website at [www.hanovercap.com](http://www.hanovercap.com).

**Emerson Investments International, Inc., Emerson International, Inc., Dean Investments International, Inc. (collectively "Emerson")**

Emerson is a private, full-service real estate development company established in 1982 that has developed thousands of residential units and actively owns and manages over one (1) million square feet of commercial and retail assets throughout Central Florida. Emerson is recognized as a leader in all aspects of real estate development and management services, including office, multi-family and residential.

The parent company of Emerson is the Emerson Group ("EG") which is based in the United Kingdom. EG was established by Peter Emerson Jones in 1959 and is recognized as one of the United Kingdom's foremost development companies. EG currently holds over \$1 billion in assets and its many projects include residential, timeshare, soccer stadiums, shopping centers, malls and resorts worldwide. EG also owns and manages over eight (8) million square feet of commercial properties.

In addition to Emerson, EG's subsidiaries include Orbit Development and Jones Homes. Orbit Development is one of the largest private commercial property developers and investment management companies in the United Kingdom providing high-quality office space for more than forty (40) years. Jones Homes is the residential homebuilding subsidiary of EG that currently builds approximately 500 homes per year in the United Kingdom. In the United States, subsidiaries of JCH Holdings, LLC ("JCHH") constructs homes in the Central Florida communities that Emerson and others are actively developing. Two (2) notable large-sale Central Florida communities that Emerson has or is currently developing include Eagle Creek (~3,000 units) situated adjacent to Lake Nona in Orange County and Twin Lakes (~2,000 units) in Osceola County for which it established the Live Oak Lake CDD.

Additional information on Emerson can be found by visiting Emerson's website at [www.emerson-us.com](http://www.emerson-us.com) and [www.emerson.co.uk](http://www.emerson.co.uk).

## DESCRIPTION OF THE SERIES 2023 BONDS

### General Description

The Series 2023 Bonds are issuable only as registered bonds, without coupons, in current interest form in denominations of \$5,000 or any integral multiple thereof; provided, however, that delivery of the Series 2023 Bonds to the initial purchasers thereof will only be in aggregate principal amounts of \$100,000 or integral multiples of \$5,000 in excess of \$100,000.

The Series 2023 Bonds will be dated as of their date of issuance and will bear interest payable on each May 1 and November 1, commencing November 1, 2023 (each, an “Interest Payment Date”), which interest shall be computed on the basis of a 360-day year of twelve thirty-day months. The Series 2023 Bonds will mature on such dates, in such amounts and at such rates as set forth on the cover page of this Limited Offering Memorandum.

Interest on each Series 2023 Bond will be payable on each Interest Payment Date in any coin or currency of the United States of America which, at the date of payment thereof, is legal tender for the payment of public and private debts. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture, be paid to the registered Owner at the close of business on the regular Record Date for such interest, which shall be the fifteenth (15th) day of the calendar month preceding such Interest Payment Date or, if such day is not a Business Day, on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (a) of Section 902 of the Master Indenture, the payment of interest and principal or Redemption Price or Amortization Installments shall be made by the Paying Agent (hereinafter defined) to such person, who, on a special record date which is fixed by the Trustee, which shall be not more than fifteen (15) and not less than ten (10) days prior to the date of such proposed payment, appears on the registration books of the Bond Registrar as the registered Owner of any Series 2023 Bond. Any payment of principal, Amortization Installment or Redemption Price shall be made only upon presentation at the designated corporate trust office of U.S. Bank Trust Company, National Association, located in Ft. Lauderdale, Florida, or any alternate or successor paying agent (collectively, the “Paying Agent”), unless the Series 2023 Bonds are held in the book entry system in which case presentation shall not be required. Payment of interest shall be made by check or draft (or by wire transfer to the registered Owner if such Owner requests such method of payment in writing on or prior to the regular Record Date for the respective interest payment to such account as shall be specified in such request, but only if the registered Owner owns not less than \$1,000,000 in aggregate principal amount of the Series 2023 Bonds). During any period that a Series 2023 Bond is registered in the name of Cede & Co., as Nominee of DTC, the provisions of the First Supplemental Indenture relating to the book-entry only system shall apply, including the payment provisions thereof.

The Series 2023 Bonds will initially be registered in the name of Cede & Co. as Nominee for The Depository Trust Company (“DTC”), which will act initially as securities depository for the Series 2023 Bonds and, so long as the Series 2023 Bonds are held in book-entry-only form, Cede & Co. will be considered the registered Owner for all purposes hereof. See “-Book-Entry Only System” below for more information about DTC and its book-entry only system.

**Redemption Provisions for Series 2023 Bonds**

*Optional Redemption.* The Series 2023 Bonds are subject to redemption prior to maturity at the option of the District in whole or in part on any date on or after May 1, 20[--] at the Redemption Price of the principal amount of the Series 2023 Bonds or portions thereof to be redeemed together with accrued interest to the date of redemption.

*Mandatory Redemption in Part.* The Series 2023 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 2023 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installment</u>	<u>Year</u>	<u>Amortization Installment</u>
	\$	*	\$

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\*Final maturity

The Series 2023 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 2023 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installment</u>	<u>Year</u>	<u>Amortization Installment</u>
	\$	*	\$

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\*Final maturity

The Series 2023 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 2023 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installment</u>	<u>Year</u>	<u>Amortization Installment</u>
	\$	*	\$

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\*Final maturity

The Series 2023 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 2023 Sinking Fund Account established under the First Supplemental Indenture in satisfaction of applicable Amortization Installments at the Redemption Price of the principal amount thereof, without premium, together with accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

<u>Year</u>	<u>Amortization Installment</u>	<u>Year</u>	<u>Amortization Installment</u>
	\$	*	\$

---

\*Final maturity

As more particularly set forth in the Indenture, any Series 2023 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 2023 Bonds. Amortization Installments are also subject to recalculation, as provided in the First Supplemental Indenture, as the result of the redemption of Series 2023 Bonds other than from scheduled Amortization Installments so as to reamortize the remaining Outstanding principal balance of the Series 2023 Bonds as set forth in the First Supplemental Indenture.

Extraordinary Mandatory Redemption in Whole or in Part. The Series 2023 Bonds are subject to extraordinary mandatory redemption prior to maturity in whole or in part on any Redemption Date at the Redemption Price of 100% of the principal amount thereof, without premium, together with accrued interest to the Redemption Date, if and to the extent that any one or more of the following shall have occurred:

- (a) on or after the Date of Completion of the Series 2023 Project, by application of moneys transferred from the Series 2023 Acquisition and Construction Account to the Series 2023 Prepayment Subaccount as provided for in the Indenture; or
- (b) from amounts, including Series 2023 Prepayments, required by the Indenture to be deposited into the Series 2023 Prepayment Subaccount; or
- (c) from amounts transferred from the Series 2023 Reserve Account to the Series 2023 Prepayment Subaccount resulting from a reduction in the Series 2023 Reserve Account Requirement as provided for in the Indenture; or
- (d) on the date on which the amount on deposit in the Series 2023 Reserve Account, together with other moneys available therefor, are sufficient to pay and redeem all of the Series 2023 Bonds then Outstanding, including accrued interest thereon.

If less than all of the Series 2023 Bonds shall be called for redemption, the particular Series 2023 Bonds or portions of Series 2023 Bonds to be redeemed shall be selected by lot by the Bond Registrar as provided in the Indenture, or as provided or directed by DTC.

## **Notice and Effect of Redemption**

Notice of each redemption of Series 2023 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the date of redemption to each registered Owner of Series 2023 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 2023 Bonds or such portions thereof so called for redemption shall become and be due and payable at the Redemption Price provided for the redemption of such Series 2023 Bonds or such portions thereof on such date, interest on such Series 2023 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2023 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Indenture and the Owners thereof shall have no rights in respect of such Series 2023 Bonds or such portions thereof so called for redemption except to receive payments of the Redemption Price thereof so held by the Paying Agent. Further notice of redemption shall be given by the Bond Registrar to certain registered securities depositories and information services as set forth in the Indenture, but no defect in said further notice nor any failure to give all or any portion of such further notice shall in any manner defeat the effectiveness of a call for redemption if notice thereof is given as above prescribed.

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

## **Book-Entry Only System**

THE FOLLOWING INFORMATION CONCERNING DTC AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE DISTRICT BELIEVES TO BE RELIABLE, BUT THE DISTRICT TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2023 BONDS, AS NOMINEE OF DTC, CERTAIN REFERENCES IN THIS LIMITED OFFERING MEMORANDUM TO THE SERIES 2023 BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2023 BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2023 BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2023 BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2023 BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2023 BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2023 BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2023 BONDS IS BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE DISTRICT NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC will act as securities depository for the Series 2023 Bonds. The Series 2023 Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Series 2023 Bond certificate will be issued for each maturity of the Series 2023 Bonds as set forth in the cover of

this Limited Offering Memorandum, each in the aggregate principal amount of such maturity and will be deposited with DTC.

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

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

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

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial

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

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

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Series 2023 Bonds unless authorized by a Direct Participant in accordance with DTC's MMI procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the 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 2023 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions and dividend payments on the Series 2023 Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the District or the paying agent, on the payment date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Paying Agent, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal, premium, if any, and interest on the Series 2023 Bonds, as applicable, 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 2023 Bonds at any time by giving reasonable notice to the District or the Paying Agent. Under such circumstances, in the event that a successor depository is not obtained, the Series 2023 Bond certificates are required to be printed and delivered.

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

The information in this section concerning DTC and DTC's book-entry system 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 DTC PARTICIPANTS OR THE PERSONS FOR WHOM THEY ACT AS NOMINEE WITH RESPECT TO THE PAYMENTS TO OR THE PROVIDING OF NOTICE FOR THE DTC PARTICIPANTS, THE INDIRECT PARTICIPANTS OR THE BENEFICIAL OWNERS OF THE SERIES 2023 BONDS. THE DISTRICT CANNOT AND DOES NOT GIVE ANY ASSURANCES THAT DTC, THE DTC PARTICIPANTS OR OTHERS WILL DISTRIBUTE PAYMENTS OF PRINCIPAL OF OR INTEREST ON THE SERIES 2023 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 SERIES 2023 BONDS**

### **General**

The Series 2023 Bonds are payable solely from and secured by the revenues derived by the District from the Series 2023 Assessments and amounts in the Funds and Accounts (except for the Series 2023 Rebate Account) established by the Indenture. Series 2023 Assessments will be allocated as described under "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein. The Series 2023 Assessments will secure the Series 2023 Bonds, the proceeds of which will be used to pay for a portion of the Costs of the Series 2023 Project. The Series 2023 Assessments will be levied on the 2023 Assessment Area in accordance with the Assessment Report attached hereto as APPENDIX B.

NEITHER THE SERIES 2023 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF FLORIDA. THE SERIES 2023 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 2023 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE SERIES 2023 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE SERIES 2023 PLEDGED REVENUES AND THE SERIES 2023 PLEDGED FUNDS, AS PROVIDED IN THE SERIES 2023 BONDS AND IN THE INDENTURE.

### **Funds and Accounts**

The Indenture establishes with the Trustee the following Funds and Accounts: (a) within the Acquisition and Construction Fund, (i) a Series 2023 Acquisition and Construction Account and (ii) a Series 2023 Costs of Issuance Account; (b) within the Debt Service Fund, (i) a Series 2023 Debt Service Account and therein a Series 2023 Sinking Fund Account, a Series 2023 Interest Account and a Series 2023 Capitalized Interest Account; and (ii) a Series 2023 Redemption Account and therein a Series 2023 Prepayment Subaccount and a Series 2023 Optional Redemption Subaccount; (c) within the Reserve Fund, a Series 2023 Reserve Account, which shall be held for the benefit of all of the Series 2023 Bonds, without distinction as to Series 2023 Bonds and without privilege or priority of one Series 2023 Bond over another;

(d) within the Revenue Fund, a Series 2023 Revenue Account; and (e) within the Rebate Fund, a Series 2023 Rebate Account.

### **Series 2023 Reserve Account and Series 2023 Reserve Account Requirement**

The Series 2023 Reserve Account Requirement is an amount equal to fifty percent (50%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2023 Bonds, as of the time of any such calculation, until such time as the Reserve Account Release Conditions are met, at which time and thereafter, Series 2023 Reserve Account Requirement shall mean an amount equal to ten percent (10%) of the Maximum Annual Debt Service Requirement for all Outstanding Series 2023 Bonds, as of the time of any such calculation. On the date of initial issuance of the Series 2023 Bonds, the Series 2023 Reserve Account Requirement shall be \$[-----].

Reserve Account Release Conditions means, collectively, that (a) all residential units/homes subject to the Series 2023 Assessments have been built, sold and closed with end-users, (b) all Series 2023 Assessments are being collected pursuant to the Uniform Method (as hereinafter defined), and (c) there are no Events of Default occurring or continuing under the Indenture with respect to the Series 2023 Bonds. The District Manager shall provide a written certification to the District and the Trustee certifying that the events in clauses (a) and (b) have occurred and affirming clause (c), on which certifications the Trustee may conclusively rely.

The Series 2023 Reserve Account shall be funded and maintained at all times in an amount equal to the Series 2023 Reserve Account Requirement. Except as otherwise provided in the Indenture, amounts on deposit in the Series 2023 Reserve Account shall be used only for the purpose of making payments into the Series 2023 Interest Account and the Series 2023 Sinking Fund Account to pay Debt Service on the Series 2023 Bonds, when due, without distinction as to Series 2023 Bonds and without privilege or priority of one Series 2023 Bond over another, to the extent the moneys on deposit in such Accounts available therefor are insufficient and for no other purpose. The Series 2023 Reserve Account shall consist only of cash and Series 2023 Investment Obligations.

Anything in the Indenture to the contrary notwithstanding, on the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or, if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the first Business Day preceding such forty-fifth (45<sup>th</sup>) day), an Authorized Officer of the District shall recalculate the Series 2023 Reserve Account Requirement and shall direct the Trustee in writing to transfer any excess on deposit in the Series 2023 Reserve Account (a) resulting from Prepayments of Series 2023 Assessments into the Series 2023 Prepayment Subaccount and applied as a credit against the Prepayment otherwise required to be made by the owner of such lot or parcel subject to such Prepayment and thereafter applied to the extraordinary mandatory redemption of the Series 2023 Bonds, (b) resulting from a reduction of the Series 2023 Reserve Account Requirement as the result of the Reserve Account Release Conditions being met into the Series 2023 Acquisition and Construction Account and used for the purposes of such Account, or (c) resulting from investment earnings as provided in Section 408(f) of the First Supplemental Indenture. The Trustee is authorized under the First Supplemental Indenture to make such transfers and has no duty to verify such calculations.

On the earliest date on which there is on deposit in the Series 2023 Reserve Account sufficient moneys, after taking into account other moneys available therefor, to pay and redeem all of the Outstanding Series 2023 Bonds, together with accrued interest and redemption premium, if any, on such Series 2023 Bonds to the earliest Redemption Date permitted in the Indenture, then the Trustee shall transfer the

amount on deposit in the Series 2023 Reserve Account into the Series 2023 Prepayment Subaccount to pay and redeem all of the Outstanding Series 2023 Bonds on the earliest Redemption Date permitted for redemption in the Indenture.

Anything in the Indenture to the contrary notwithstanding, amounts on deposit in the Series 2023 Reserve Account shall, upon the occurrence and continuance of an Event of Default, be subject to a first charge by the Trustee for its fees and expenses, including fees and expenses of collection of Delinquent Assessments.

### **Flow of Funds**

(a) The First Supplemental Indenture authorizes and directs the Trustee to deposit any and all amounts required to be deposited in the Series 2023 Revenue Account 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 2023 Revenue Account shall be held by the Trustee separate and apart from all other Funds and Accounts held under the Indenture and from all other moneys of the Trustee.

(b) The Trustee shall deposit into the Series 2023 Revenue Account (i) Series 2023 Assessment Revenues other than Series 2023 Prepayments (which Series 2023 Prepayments shall be identified by the District to the Trustee as such in writing upon deposit, upon which certification the Trustee may conclusively rely, and which shall be deposited into the Series 2023 Prepayment Subaccount), (ii) Series 2023 Prepayment Interest, and (iii) any other revenues required by other provisions of the Indenture to be deposited into the Series 2023 Revenue Account.

(c) On the forty-fifth (45<sup>th</sup>) day preceding each Quarterly Redemption Date (or if such forty-fifth (45<sup>th</sup>) day is not a Business Day, on the Business Day preceding such forty-fifth (45<sup>th</sup>) day), the Trustee shall determine the amount on deposit in the Series 2023 Prepayment Subaccount, and, if the balance therein is greater than zero, shall, upon written direction from the District, transfer from the Series 2023 Revenue Account for deposit into the Series 2023 Prepayment Subaccount an amount sufficient to increase the amount on deposit therein to the nearest integral multiple of \$5,000 (provided that there are sufficient funds remaining in the Series 2023 Revenue Account to pay Debt Service coming due on the Series 2023 Bonds on the next succeeding Interest Payment Date), and shall thereupon give notice and cause the extraordinary mandatory redemption of the Series 2023 Bonds on the next succeeding Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in the Series 2023 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of the Series 2023 Bonds set forth in the form of Series 2023 Bonds attached to the First Supplemental Indenture and in accordance with the provisions of the Indenture.

(d) On May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall first transfer from the Series 2023 Capitalized Interest Account to the Series 2023 Interest Account the lesser of (x) the amount of interest coming due on the Series 2023 Bonds on such May 1 or November 1, less the amount already on deposit in the Series 2023 Interest Account, or (y) the amount remaining in the Series 2023 Capitalized Interest Account. Following the foregoing transfer, on such May 1 or November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such May 1 or November 1), the Trustee shall then transfer amounts on deposit in the Series 2023 Revenue Account to the Accounts designated below in the following amounts and in the following order of priority:

**FIRST**, to the Series 2023 Interest Account, the amount, if any, equal to the difference between the amount of interest payable on all Series 2023 Bonds then Outstanding on such May 1 or November 1, and (i) the amount transferred from the Series 2023 Capitalized Interest Account in accordance with Section 408(d) of the First Supplemental Indenture and (ii) the amount already on deposit in the Series 2023 Interest Account not previously credited;

**SECOND**, on May 1, 20[--], and on each May 1 thereafter, to the Series 2023 Sinking Fund Account, the amount, if any, equal to the difference between the Amortization Installments of all Series 2023 Bonds subject to mandatory sinking fund redemption on such May 1 and the amount already on deposit in the Series 2023 Sinking Fund Account not previously credited;

**THIRD**, to the Series 2023 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the Series 2023 Reserve Account Requirement with respect to the Series 2023 Bonds; and

**FOURTH**, the balance shall first be deposited into the Series 2023 Costs of Issuance Account to fund any deficiencies in the amount allocated to pay the costs of issuance relating to the Series 2023 Bonds, and then the balance shall be retained in the Series 2023 Revenue Account.

(e) On any date required by the Arbitrage Certificate, the District shall give the Trustee written direction to, and the Trustee shall, transfer from the Series 2023 Revenue Account to the Series 2023 Rebate Account the amount due and owing to the United States, which amount shall be paid to the United States when due in accordance with such Arbitrage Certificate.

## **Investments**

Anything in the Indenture to the contrary notwithstanding, moneys on deposit in all of the Funds and Accounts held as security for the Series 2023 Bonds shall be invested only in Series 2023 Investment Obligations. Earnings on investments in the Series 2023 Acquisition and Construction Account, the Series 2023 Interest Account and the Series 2023 Capitalized Interest Account shall be retained, as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the Funds and Accounts other than the Series 2023 Reserve Account, and other than as set forth in the preceding sentence, shall be deposited, as realized, to the credit of the Series 2023 Revenue Account and used for the purpose of such Account.

Earnings on investments in the Series 2023 Reserve Account shall be disposed of as follows:

(i) if there was no deficiency (as defined in Section 509 of the Master Indenture) in the Series 2023 Reserve Account as of the most recent date on which amounts on deposit in the Series 2023 Reserve Account were valued by the Trustee, and if no withdrawals have been made from the Series 2023 Reserve Account since such date which have created a deficiency, then earnings on investments in the Series 2023 Reserve Account shall be deposited into the Series 2023 Capitalized Interest Account through November 1, 2023, and thereafter shall be deposited into the Series 2023 Revenue Account and used for the purpose of such Account; or

(ii) if there was a deficiency (as defined in Section 509 of the Master Indenture) in the Series 2023 Reserve Account as of the most recent date on which amounts on deposit in the Series 2023 Reserve Account were valued by the Trustee, or if after such date withdrawals have been made from the Series 2023 Reserve Account and have created such a deficiency, then earnings on investments in the Series

2023 Reserve Account shall be retained in the Series 2023 Reserve Account until the amount on deposit therein is equal to the Series 2023 Reserve Account Requirement, and then earnings on investments in the Series 2023 Reserve Account shall be deposited into the Series 2023 Capitalized Interest Account through November 1, 2023, and thereafter shall be deposited into the Series 2023 Revenue Account and used for the purpose of such Account.

The foregoing determination and disbursement shall be made prior to any recalculation and transfer of excess amounts on deposit in the Series 2023 Reserve Account made pursuant to Section 405 of the First Supplemental Indenture.

#### **[Agreement for Assignment of Development Rights**

Contemporaneously with the issuance of the Series 2023 Bonds, the Developer and the District will enter into a Collateral Assignment and Assumption of Development and Contract Rights (the "Assignment Agreement"). The following description of the Assignment Agreement is qualified in its entirety by reference to the Assignment Agreement. Pursuant to the Assignment Agreement, the Developer will collaterally assign to the District all of the respective development rights and contract rights relating to the Series 2023 Project and the 2023 Assessment Area (the "Development and Contract Rights") as security for the Developer's payment and performance and discharge of its obligation to pay the Series 2023 Assessments levied against the 2023 Assessment Area when due. The assignment will become effective and absolute upon failure of the Developer to pay the Series 2023 Assessments levied against the lands within the 2023 Assessment Area owned by the Developer and the subsequent acquisition of such lands by the District or its assignee. The Development and Contract Rights specifically excludes any such portion of the Development and Contract Rights which have not been previously assigned, transferred, or otherwise conveyed to an end-user or homebuilder unaffiliated with the Developer resulting from the sale of certain lands within the 2023 Assessment Area in the ordinary course of business, the City, the County, the District, any applicable homeowner's association or other governing entity or association as may be required by applicable permits, approvals, plats, entitlements or regulations affecting the 2023 Assessment Area. Pursuant to the Indenture, but subject to the terms of the Assignment Agreement, the District assigns its rights under the Assignment Agreement to the Trustee for the benefit of the Owners, from time to time, of the Series 2023 Bonds.]

#### **[Completion Agreement**

In connection with the issuance of the Series 2023 Bonds, the District and the Developer will enter into an agreement (the "Completion Agreement") pursuant to which the Developer will agree to provide funds to complete the Series 2023 Project to the extent that proceeds of the Series 2023 Bonds are insufficient therefor. Remedies for a default under the Completion Agreement include damages and/or specific performance.]

#### **[True-Up Agreement**

In connection with the issuance of the Series 2023 Bonds, the District and Developer will enter into an agreement (the "True Up Agreement") pursuant to which the Developer agrees to timely pay all Series 2023 Assessments on lands owned by the Developer and subject to the Series 2023 Assessments and to pay, when requested by the District, any amount of Series 2023 Assessments allocated to unplatted acres in excess of the allocation in place at the time of issuance of the Series 2023 Bonds pursuant to the Assessment Report or any update thereto.]

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

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

### **Owner Direction and Consent with Respect to Series 2023 Acquisition and Construction Account Upon Occurrence of Event of Default**

In accordance with the provisions of the Indenture, the Series 2023 Bonds are payable solely from the Series 2023 Pledged Revenues and the Series 2023 Pledged Funds held by the Trustee under the Indenture for such purpose. Anything in the Indenture to the contrary notwithstanding, the District acknowledges in the First Supplemental Indenture that (a) the Series 2023 Pledged Funds includes, without limitation, all amounts on deposit in the Series 2023 Acquisition and Construction Account then held by the Trustee, (b) upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, the Series 2023 Pledged Funds may not be used by the District (whether to pay Costs of the Series 2023 Project or otherwise) without the consent of the Majority Owners, except to the extent that prior to the Trustee notifying the District of such declared Event of Default the District had incurred a binding obligation with third parties for work on the Series 2023 Project and payment is for such work and (c) upon the occurrence of an Event of Default with respect to the Series 2023 Bonds, the Series 2023 Pledged Funds may be used by the Trustee, at the direction or with the approval of the Majority Owners, to pay the reasonable costs and expenses incurred in connection with the pursuit of remedies under the Indenture. The District shall not enter into any binding agreement with respect to the Series 2023 Project that will cause the expenditure of additional funds from the Series 2023 Trust Estate after the occurrence and during the continuance of an Event of Default unless authorized in writing by the Majority Owners of the Series 2023 Bonds.

### **Collection of Series 2023 Assessments**

The Indenture provides that when permitted by law, Series 2023 Assessments levied on platted lots and pledged to secure the Series 2023 Bonds shall be collected pursuant to the Uniform Method, and Series 2023 Assessments levied on unplatted lands and pledged to secure the Series 2023 Bonds shall be collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless otherwise directed by the Trustee acting at the direction of the Majority Owners upon the occurrence and continuance of an Event of Default.

A proportionate amount of the Series 2023 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by each landowner no later than thirty (30) days prior to each respective Interest Payment Date.

## **Covenants with Regard to Enforcement and Collection of Delinquent Assessments**

The District covenants and agrees 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 Operation and Maintenance Assessments, the provisions for the foreclosure of liens of Delinquent Assessments, including delinquent Direct Billed Operation and Maintenance Assessments, and will take such other appropriate remedial actions as shall be directed by the Trustee acting at the direction of, and on behalf of, the Majority Owners, from time to time, of the Series 2023 Bonds. Notwithstanding anything to the contrary in the Indenture, and unless otherwise directed by the Majority Owners of the Series 2023 Bonds and allowed pursuant to federal or State law, the District acknowledges and agrees in the Indenture that (i) upon failure of any property owner to pay an installment of Series 2023 Assessments collected directly by the District when due, that the entire Series 2023 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.

The District covenants in the Indenture that if the owner of any lot or parcel of land shall be delinquent in the payment of any Series 2023 Assessment, then such Series 2023 Assessment shall be enforced in accordance with the provisions of Chapters 170 and/or 197, Florida Statutes, including but not limited to the sale of tax certificates and tax deeds 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 Series 2023 Assessment, 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 Series 2023 Bonds then Outstanding, declare the entire unpaid balance of such Series 2023 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 Chapters 170 and 173, and Section 190.026, Florida Statutes, or otherwise as provided by law. The District further covenants in the Indenture to furnish, at its expense, to any Owner of Series 2023 Bonds so requesting, sixty (60) days after the due date of each annual installment, a list of all Delinquent Assessments together with a copy of the District's annual audit, and a list of foreclosure actions currently in progress and the current status of such Delinquent Assessments.

If any tax certificates relating to Delinquent Assessments which are pledged to the Series 2023 Bonds are sold by the Osceola County Tax Collector (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 Delinquent 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 Series 2023 Revenue Account.

## **Foreclosure of Assessment Lien**

The Indenture provides that if any property shall be offered for sale for the nonpayment of any Series 2023 Assessments and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2023 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount less than or equal to the balance due on the Series 2023 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 2023 Bonds; provided that the Trustee shall have the right acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to the First Supplemental Indenture. The District, either through its own actions or actions caused to be taken through the Trustee, shall have the power to lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the Series 2023 Revenue Account. The District, either through its own actions or actions caused to be taken through the Trustee, agrees that it shall, after being provided assurances satisfactory to it of payment of its fees, costs and expenses for doing so, be required to take the measures provided by law for listing for sale of property acquired by it as trustee for the benefit of the Owners of the Series 2023 Bonds within sixty (60) days after the receipt of the request therefor signed by the Trustee or the Majority Owners. The Trustee may, upon direction from the Majority Owners, pay costs associated with any actions taken by the District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

## **Additional Covenants Regarding Series 2023 Assessments**

In the Indenture, the District covenants to comply with the terms of the Series 2023 Assessment Proceedings heretofore adopted with respect to the Series 2023 Assessments, including the Assessment Report, and to levy the Series 2023 Assessments and any required true-up payments set forth in the Assessment Report, in such manner as will generate funds sufficient to pay the principal of and interest on the Series 2023 Bonds, when due.

## **No Parity Bonds; Limitation on Parity Assessments**

The District covenants and agrees in the First Supplemental Indenture that other than Refunding Bonds issued to refund the then Outstanding Series 2023 Bonds, the issuance of which results in net present value Debt Service savings, the District shall not, while any Series 2023 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the Series 2023 Trust Estate. The District further covenants and agrees that so long as the Series 2023 Assessments have not been Substantially Absorbed, it will not impose Assessments for capital projects on any lands subject to the Series 2023 Assessments without the written consent of the Majority Owners. Notwithstanding the immediately preceding sentence, the District may impose Assessments on property subject to the Series 2023 Assessments which are necessary for health, safety or welfare reasons, or to remediate a natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

“Substantially Absorbed” is defined in the First Supplemental Indenture to mean the date on which the principal amount of the Series 2023 Assessments equaling ninety percent (90%) of the then Outstanding principal amount of the Series 2023 Bonds is levied on tax parcels within the 2023 Assessment Area with respect to which a certificate of occupancy has been issued for a structure thereon and are owned by end users, as certified by an Authorized Officer and upon which the Trustee may conclusively rely.



## Events of Default

Each of the following events is an Event of Default with respect to the Series 2023 Bonds:

- (a) Any payment of Debt Service on the Series 2023 Bonds is not made when due;
- (b) The District shall for any reason be rendered incapable of fulfilling its obligations under the Indenture;
- (c) The District admits in writing its inability to pay its debts generally as they become due, or files a petition in bankruptcy or makes an assignment for the benefit of its creditors or consents to the appointment of a receiver or trustee for itself or for the whole or any part of the Series 2023 Project;
- (d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged 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 Series 2023 Assessments pledged to the Series 2023 Bonds 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 2023 Reserve Account to pay Debt Service on the Series 2023 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners of the Series 2023 Bonds, actually withdraw such funds from the Series 2023 Reserve Account to pay Debt Service on the Series 2023 Bonds);
- (h) The District shall default in the due and punctual performance of any of the material covenants, conditions, agreements and provisions contained in the Series 2023 Bonds or in the Indenture on the part of the District to be performed (other than a default in the payment of Debt Service on the Series 2023 Bonds when due, which is an Event of Default under subsection (a) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring the same to be remedied shall have been given to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owners of not less than ten percent (10%) in aggregate principal amount of the Series 2023 Bonds then Outstanding and affected by such default; and
- (i) More than twenty percent (20%) of the Operation and Maintenance Assessments levied by the District on tax parcels subject to Series 2023 Assessments are not paid by the date such are due and payable.

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

(a) The provisions of this section shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel, or tax parcels which are in the aggregate, subject to at least five percent (5%) of the Series 2023 Assessments (an “Insolvent Taxpayer”) under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a “Proceeding”).

(b) The District acknowledges and agrees that, although the Series 2023 Bonds were issued by the District, the Owners of the Series 2023 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 in the Indenture that it shall seek to secure the written consent of the Trustee, acting at the direction of the Majority Owners of the Series 2023 Bonds then Outstanding, prior to making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2023 Assessments, the then Outstanding Series 2023 Bonds or any rights of the Trustee under the Indenture (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2023 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(ii) the District agrees in the Indenture that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2023 Assessments, the Series 2023 Bonds then Outstanding or any rights of the Trustee under the Indenture that are inconsistent with any written consent received (or deemed received) from the Trustee;

(iii) the District agrees in the Indenture that it shall seek the written consent of the Trustee prior to filing and voting in any such Proceeding (provided, however, the Trustee shall be deemed to have consented, on behalf of the Majority Owners of the Series 2023 Bonds then Outstanding, to the proposed action if the District does not receive a written response from the Trustee within sixty (60) days following delivery to the Trustee of a written request for consent);

(iv) the Trustee shall have the right, by interpleader or otherwise, to seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2023 Assessments related to the Series 2023 Bonds then 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 2023 Assessments, to seek substantive consolidation, to seek to shorten the Insolvent Taxpayer’s exclusivity periods or to oppose any motion to extend such exclusivity periods, to oppose any motion for use of cash collateral or for authority to obtain financing, to oppose any sale procedures motion or any sale motion, to

propose a competing plan of reorganization or liquidation or to make any election under Section 1111(b) of the Bankruptcy Code; and

(v) the District shall not challenge the validity or amount of any claim submitted in good faith 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 the Trustee's enforcement of the District's claim and rights with respect to the Series 2023 Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District agrees that the Trustee shall have the right to (A) file a proof of claim with respect to the Series 2023 Assessments pledged to the Series 2023 Bonds then Outstanding, (B) deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (C) defend any objection filed to said proof of claim.

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

(d) Nothing in Section 913 of the Master Indenture shall preclude the District from becoming a party to a Proceeding in order to enforce a claim for Operation and Maintenance Assessments, and the District shall be free to pursue such a claim for Operation and Maintenance Assessments in such manner as it shall deem appropriate in its sole and absolute discretion. Any actions taken by the District in pursuance of its claim for Operation and Maintenance Assessments in any Proceeding shall not be considered an action adverse or inconsistent with the Trustee's rights or consents with respect to the Series 2023 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in paragraph (b)(iv) above.

#### **Re-Assessment**

If any Series 2023 Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or the District shall be satisfied that any such Series 2023 Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Series 2023 Assessment when it might have done so, the District shall either: (i) take all necessary steps to cause a new Series 2023 Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement; or (ii) in its sole discretion, make up the amount of such Series 2023 Assessment from legally available moneys, which moneys shall be deposited into the Series 2023 Revenue Account. In case any such subsequent Series 2023 Assessment shall also be annulled, the District shall obtain and make other Series 2023 Assessments until a valid Series 2023 Assessment shall be made.

#### **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

The primary source of payment for the Series 2023 Bonds is the Series 2023 Assessments imposed on each parcel of benefited land within the District pursuant to the Series 2023 Assessment Proceedings. To the extent that landowners fail to pay such Series 2023 Assessments, delay payments, or are unable to pay the same, the prompt and successful pursuance of collection procedures available to the District will be essential to continued payment of principal of and interest on the Series 2023 Bonds.

Chapter 170, Florida Statutes, provides that the Series 2023 Assessments constitute a lien on the real property in the District coequal with all State, County, school district and municipal taxes, superior in dignity to all other liens, titles and claims on such real property. ALTHOUGH THE LIEN AND THE PROCEEDS OF THE SERIES 2023 ASSESSMENTS WILL SECURE THE SERIES 2023 BONDS, AND SAID LIEN AND PROCEEDS OF THE SERIES 2023 ASSESSMENTS ARE PLEDGED EXCLUSIVELY TO THE SERIES 2023 BONDS, THE LIEN OF THE SERIES 2023 ASSESSMENTS MAY BE ON THE SAME PROPERTY AS, AND THEREFOR OVERLAP AND BE CO-EQUAL WITH, THE LIENS IN FAVOR OF OTHER ASSESSMENTS WHICH HAVE BEEN OR MAY BE IMPOSED BY THE DISTRICT, THE CITY, THE COUNTY OR OTHER UNITS OF LOCAL GOVERNMENT HAVING ASSESSMENT POWERS WITHIN THE DISTRICT.

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

### **General**

The imposition, levy, and collection of Series 2023 Assessments (for purposes of this Section, "Special Assessments") must be done in compliance with the provisions of State law. Failure by the District, the Tax Collector or the Brevard County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Special Assessments during any year. Such delays in the collection of Special Assessments, or complete inability to collect the 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 2023 Bonds. See "BONDOWNERS' RISKS" herein. To the extent that landowners fail to pay the 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 2023 Bonds.

For the Special Assessments to be valid, the Special Assessments must meet two requirements: (1) the benefit from the Series 2023 Project to the lands subject to the Special Assessments must exceed or equal the amount of the Special Assessments, and (2) the Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Certificate of the Methodology Consultant to be provided at the time of issuance of the Series 2023 Bonds will certify that these requirements have been met with respect to the Special Assessments. In the event that the Special Assessments are levied based on the assumptions that future contributions will be made, or that future assessments may be levied to secure future bond issuances, the 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 Series 2023 Assessment Proceedings, the District may collect the Special Assessments through a variety of methods. See "BONDOWNERS' RISKS" herein. For undeveloped properties and platted lots owned by the Developer, the District will directly issue annual bills to landowners requiring payment of the Special Assessments and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND ALLOCATION OF ASSESSMENTS" herein and "APPENDIX B" hereto. For platted lands, the Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method of Collection provided by State law (the "Uniform Method"). The following is a description of certain statutory provisions relating to each of these collection

methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

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

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Special Assessments. In this context, Section 170.10, Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of its annual installment of principal and/or interest of a special assessment due, including the 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 Special Assessments and the ability to foreclose the lien of such Special Assessments upon the failure to pay such 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 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 Special Assessments using the Uniform Method. The Uniform Method is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Special Assessments to be levied and then collected in this manner.

If the Uniform Method is used, the Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such Taxes and Assessments – including the 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 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by State law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing

districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the 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 2023 Bonds.

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

The Tax Collector is required to collect the 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 2023 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Special Assessments, (2) that future landowners and taxpayers in the District will pay such 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 Series 2023 Assessment Proceedings to discharge the lien of the Special Assessments and all other liens that are coequal therewith.

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

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

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

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

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

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the 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 years from the date the property was offered for sale, unsold lands escheat to the County in which they are located, free and clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of 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 Special Assessments, which are the primary source of payment of the Series 2023 Bonds. Additionally, legal proceedings under federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDOWNERS' RISKS" herein.

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## ESTIMATED SOURCES AND USES OF BOND PROCEEDS

Sources:

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

Uses:

Deposit to Series 2023 Acquisition and Construction Account	\$
Deposit to Series 2023 Reserve Account	
Deposit to Series 2023 Costs of Issuance Account	
Deposit to Series 2023 Capitalized Interest Account*	
Underwriter's Discount	
Total Uses	\$

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\* To be used to pay interest coming due on the Series 2023 Bonds on November 1, 2023.

## DEBT SERVICE REQUIREMENTS

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

<b>Period Ending <u>November 1</u></b>	<b><u>Principal</u></b>	<b><u>Interest</u></b>	<b>Total Debt <u>Service</u></b>
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<b>TOTAL</b>	<hr/> <b>\$</b>	<hr/> <b>\$</b>	<hr/> <b>\$</b>
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## **BONDOWNERS' RISKS**

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

### **Limited Pledge**

The principal security for the payment of the principal of and interest on the Series 2023 Bonds is the timely collection of the Series 2023 Assessments. Recourse for the failure of any landowner to pay the Series 2023 Assessments, or otherwise fail to comply with its obligations, is limited to the collection proceedings against the land, which proceedings differ depending on whether the Series 2023 Assessments are being collected pursuant to the Uniform Method or directly by the District. The Series 2023 Assessments do not constitute a personal indebtedness of the landowners but are secured only by a lien on the land in the 2023 Assessment Area. The District has not granted, and may not grant under State law, a mortgage or security interest on any land subject to the Series 2023 Assessments. Furthermore, the District has not pledged the revenues, if any, from the operation of any portion of the Series 2023 Project as security for, or a source of payment of, the Series 2023 Bonds. The Developer is not a guarantor of payment of any Series 2023 Assessments and the recourse for the Developer's failure to pay the Series 2023 Assessments on any land owned by the Developer in the 2023 Assessment Area, like any landowner, is limited to the collection proceedings against such land. Several mortgage lenders have in the past, raised legal challenges to the primacy of liens similar to those of the Series 2023 Assessments in relation to the liens of mortgages burdening the same real property. There can be no assurance that mortgage lenders will not challenge the priority of the lien status of the Series 2023 Assessments in the event that actions are taken to foreclose on any property in the 2023 Assessment Area.

### **Bankruptcy and Related Risks**

The various legal opinions to be delivered concurrently with the delivery of the Series 2023 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. Under existing constitutional and statutory law and judicial decisions, in the event of the institution of bankruptcy or similar proceedings with respect to any landowner, including the Developer, if applicable, the remedies specified by federal, state and local law and in the Indenture and the Series 2023 Bonds, including, without limitation, enforcement of the obligation to pay the Series 2023 Assessments, may not be readily available or may be limited. Bankruptcy can also affect the ability of (1) any landowner being able to pay the Series 2023 Assessments, (2) the Tax Collector being able to sell tax certificates related to land owned by a landowner in bankruptcy, to the extent the Uniform Method is being utilized for collecting the Series 2023 Assessments, and (3) the inability of the District to foreclose the lien of the Series 2023 Assessments not being collected by the Uniform Method. Any such adverse effect, either partially or fully, on the ability to

enforce such remedies, could have a material adverse effect on the District's ability to make the full or punctual payment of Debt Service on the Series 2023 Bonds.

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

The remedies available to the owners of the Series 2023 Bonds are in many respects dependent upon judicial actions which are often subject to discretion and delay. In addition to legal delays that could result from bankruptcy, the ability of the District to enforce collection of Delinquent Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding and the value of the land which is the subject of such proceedings and which may be subject to sale. In addition, if the District commences a foreclosure action against a landowner for nonpayment of Series 2023 Assessments, such landowner might raise affirmative defenses to such foreclosure action, which affirmative defenses could result in delays in completing the foreclosure action.

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

In the event of a default by a landowner in payment of Series 2023 Assessments, if the Series 2023 Assessments are not collected under the Uniform Method, a foreclosure may be commenced to collect the delinquent Series 2023 Assessments. It is possible that there will not be sufficient funds to pay for the foreclosure and/or that funds on deposit under the Indenture may be used to pay such costs. Under the Code (hereinafter defined), there are limitations on the amount of the Series 2023 Bond proceeds that can be used for such purposes. As a result, there may be insufficient funds for the exercise of remedies.

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

To the extent that any portion of the Series 2023 Assessments are being collected by the Uniform Method, the ability of the Tax Collector to sell tax certificates, and to the extent that any portion of the Series 2023 Assessments are not being collected by the Uniform Method, the ability of the District to sell land upon foreclosure, both will be dependent upon various factors, including the interest rate which can be earned by ownership of such certificates and the value of the land which is the subject of such certificates and which may be subject to sale at the demand of the certificate holder after two years. The determination of the benefits to be received by the benefitted land within the District as a result of implementation and development of the Series 2023 Project is not indicative of the realizable or market value of the land, which value may actually be higher or lower than the assessment of benefits. In other words, the value of the land could potentially be ultimately less than the debt secured by the Series 2023 Assessments associated with it. To the extent that the realizable or market value of the land is lower than the assessment of benefits, the ability of the Tax Collector to sell tax certificates relating to such land, or the District to sell such land upon foreclosure, may be adversely affected. Such adverse effect could render the District unable to collect Delinquent Assessments, if any, and could negatively impact the ability of the District to make the full or punctual payment of Debt Service on the Series 2023 Bonds.

### **Landowner Challenge of Assessed Valuation**

State law provides both administrative and judicial procedures whereby a taxpayer may contest the assessed valuation of his or her property determined by the Property Appraiser. If the individual property owner believes that his or her property has not been appraised at just value, the owner may (i) request an informal conference with the Property Appraiser to resolve the issue, (ii) file a petition with the clerk of the county value adjustment board, or (iii) appeal to the Circuit Court within sixty (60) days of the

certification for collection of the tax roll or within sixty (60) days of the issuance of a final decision by the value adjustment board. A petitioner before the value adjustment board who challenges the assessed value of property must pay all non-ad valorem assessments and make a partial payment of at least 75% of the ad valorem taxes, less any applicable discount, before the taxes become delinquent. Before any judicial action to contest a tax assessment may be brought, the taxpayer shall pay to the tax collector not less than the amount of the tax which the taxpayer admits in good faith to be owing. During any such proceeding, all procedures for the collection of the unpaid taxes are suspended until the petition or suit is resolved. This could result in a delay in the collection of the Series 2023 Assessments which could have a material adverse effect upon the ability of the District to make full or punctual payment of the Debt Service on the Series 2023 Bonds.

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

The District is required to comply with statutory procedures in levying the Series 2023 Assessments. Failure of the District to follow these procedures could result in the Series 2023 Assessments not being levied or potential future challenges to such levy.

### **Other Taxes**

The willingness and/or ability of a landowner within the 2023 Assessment Area to pay the Series 2023 Assessments could be affected by the existence of other taxes and assessments imposed upon the property. Public entities whose boundaries overlap those of the District, such as a county, a school board, a municipality and other special districts, could, without the consent of the owners of the land within the 2023 Assessment Area, impose additional taxes or assessments on the property within the 2023 Assessment Area. County, municipal, school and special district taxes and assessments, including the Series 2023 Assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, are payable at the same time when collected under the Uniform Method, except for partial payment schedules as may be provided by Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment, the taxpayer cannot designate specific line items on the tax bill as deemed paid in full. Therefore, any failure by a landowner to pay any one line item, whether or not it is the Series 2023 Assessments, would result in such landowner's assessments to not be collected to that extent, which could have a significant adverse impact on the District's ability to make full or punctual payment of Debt Service on the Series 2023 Bonds.

The District may also impose additional assessments which could encumber the property burdened by the Series 2023 Assessments. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2023 Assessments. In addition, lands within the District may also be subject to assessments by property and homeowner associations.

### **Inadequacy of Reserve Account**

Some of the risk factors described herein, if materialized, could result in a delay in the collection of the Series 2023 Assessments or a failure to collect the Series 2023 Assessments, but may not affect the timely payment of Debt Service on the Series 2023 Bonds because of the Series 2023 Reserve Account established by the District for the Series 2023 Bonds. However, the ability of the District to fund deficiencies caused by delinquent or delayed Series 2023 Assessments is dependent upon the amount, duration and frequency of such deficiencies or delays. If the District has difficulty in collecting the Series 2023 Assessments, the Series

2023 Reserve Account could be rapidly depleted and the ability of the District to pay Debt Service could be materially adversely affected. Owners should note that although the Indenture contains the Series 2023 Reserve Account Requirement for the Series 2023 Reserve Account, and a corresponding obligation on the part of the District to replenish the Series 2023 Reserve Account to the Series 2023 Reserve Account Requirement, the District does not have a designated revenue source for replenishing the Series 2023 Reserve Account. Moreover, the District will not be permitted to re-assess real property then burdened by the Series 2023 Assessments in order to provide for the replenishment of the Series 2023 Reserve Account.

Moneys on deposit in the Series 2023 Reserve Account may only be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the Series 2023 Reserve Account to make up deficiencies or delays in collection of Series 2023 Assessments.

### **Economic Conditions**

The proposed Development may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the landowners or the District. Although the Developer expects to continue to develop lots, build homes and sell homes to end users, there can be no assurance that such sales will occur or be realized in the manner currently anticipated.

### **Concentration of Land Ownership in Developer**

Until further development and lot sales take place in the 2023 Assessment Area, payment of the Series 2023 Assessments is dependent upon their timely payment by the Developer. At closing of the sale of the Series 2023 Bonds it is expected that all or a substantial majority of the lands within the 2023 Assessment Area will continue to be owned either directly or indirectly by the Developer. In the event of the institution of bankruptcy or similar proceedings with respect to the Developer or any other subsequent significant owner of property within the 2023 Assessment Area, delays could most likely occur in the payment of Debt Service on the Series 2023 Bonds. Such bankruptcy could negatively impact the ability of: (i) the Developer or any other landowner being able to pay the Series 2023 Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2023 Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of any Series 2023 Assessments not being collected pursuant to the Uniform Method. The Series 2023 Assessments levied on unplatted lands will be collected directly by the District and not via the Uniform Method unless the Board determines that such method of collection is not in the best interest of the District or unless, in an Event of Default, the Majority Owners direct the District as to the collection method for the Series 2023 Assessments, so long as such method complies with State law.

### **Undeveloped Land**

Although the 2023 Assessment Area has been platted, the 2023 Assessment Area is not fully developed. The ultimate successful development of the 2023 Assessment Area and the remainder of the District depends on several factors discussed herein. There is no assurance that the Developer and other landowners will be successful in developing part or all of the undeveloped acreage.

### **Change in Development Plans**

The Developer has the right to modify or change plans for development of property within the 2023 Assessment Area and 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 the Developer 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.

### **Bulk Sale of Land in 2023 Assessment Area**

The Developer may make bulk sales of all or a portion of the lands owned by it within the 2023 Assessment Area at any time. Bulk sale agreements may be canceled or amended without the consent of the District or any other party. Such changes could affect the purchase price of, delivery timing and/or development of lots within the District that is otherwise described herein.

### **Completion of Series 2023 Project and CIP**

The Series 2023 Bond proceeds will not be sufficient to finance the completion of the Series 2023 Project or the CIP. The portion of the Series 2023 Project not funded with proceeds of the Series 2023 Bonds is expected to be funded with contributions from the Developer. Phase 2 of the CIP is expected to be funded with contributions from the Developer and/or a future Series of Bonds. There is no assurance that the Developer will be able to pay for the cost of any of these improvements. Upon issuance of the Series 2023 Bonds, the Developer will enter into the Completion Agreement with respect to any portions of the Series 2023 Project not funded with the proceeds of the Series 2023 Bonds. Upon issuance of the Series 2023 Bonds, the Developer will also execute and deliver to the District the Assignment Agreement, pursuant to which the Developer will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Developer, all of their respective development rights relating to the Series 2023 Project and the 2023 Assessment Area as security for the Developer's payment and performance and discharge of its obligation to pay the Series 2023 Assessments. However, there can be no assurance, that the District will have sufficient moneys on hand to complete the Series 2023 Project or the CIP or that the District will be able to raise through the issuance of bonds, or otherwise, the moneys necessary to complete Phase 2 of the CIP. See "THE DEVELOPMENT – Land Acquisition/Development Financing," "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS – Completion Agreement" and "SECURITY FOR AND SOURCE OF PAYMENT OF SERIES 2023 BONDS – Agreement for Assignment of Development Rights" herein.

Undeveloped or partially developed land is inherently less valuable than developed land and provides less security to the owners of the Series 2023 Bonds should it be necessary to institute proceedings due to the nonpayment of the Series 2023 Assessments. Failure to complete or substantial delays in the completion of the Series 2023 Project or the CIP due to litigation or other causes may reduce the value of the lands in the District and increase the length of time during which Series 2023 Assessments will be payable from undeveloped property and may affect the willingness and ability of the landowners to pay the Series 2023 Assessments when due and likewise the ability of the District to make full or punctual payment of Debt Service on the Series 2023 Bonds.

Pursuant to the Indenture, the District will covenant and agree that so long as the Series 2023 Assessments have not been Substantially Absorbed, it will not impose Assessments for capital projects on any lands subject to the Series 2023 Assessments without the written consent of the Majority Owners. Such covenant shall not prohibit the District from issuing refunding bonds or other Bonds secured by Assessments to finance any other capital project that is necessary, as determined by the District, for health, safety, or welfare reasons or to remediate any natural disaster, or to effect repairs to or replacement of property, facilities or equipment of the District without the consent of the Majority Owners.

## **Regulatory and Environmental Risks**

The Development 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 2023 Assessment Area or other District lands.

The value of the land within the District, the ability to complete the Series 2023 Project or CIP, or to develop the Development and the likelihood of timely payment of Debt Service on the Series 2023 Bonds could be affected by environmental factors with respect to the lands in the District, such as contamination by hazardous materials. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future whether originating within the District or from surrounding property, and what effect such may have on the development of the 2023 Assessment Area or other District lands. 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.

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

In connection with a foreclosure of the lien of the assessments prior to completion of a development, the Circuit Court in and for Lake County, Florida concluded that a community development district had no right, title or interest in any permits and approvals owned by the owner of the parcels so foreclosed. As discussed above, the District and the Developer will enter into the Assignment Agreement upon issuance of the Series 2023 Bonds in which the Developer collaterally assigns to the District all of the respective development rights and contract rights relating to the Series 2023 Project and the 2023 Assessment Area. Notwithstanding the foregoing, in the event that the District forecloses on the property subject to the lien of the Series 2023 Assessments, to enforce payment thereof, the District may not have the right, title or interest in the permits and approvals owned by the Developer and failure to obtain any such permits or approvals in a timely manner could delay or adversely affect the completion of the Series 2023 Project and the Development.

## **Cybersecurity**

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



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

A novel coronavirus outbreak first identified in 2019 as causing coronavirus disease 2019 (“COVID-19”) was characterized by the World Health Organization on March 11, 2020, as a pandemic. Responses to COVID-19 varied at the local, state and national levels. In reaction to the pandemic declaration a variety of federal agencies, along with state and local governments, implemented efforts designed to limit the spread of COVID-19. Since the pandemic declaration, COVID-19 has negatively affected travel, commerce, and financial markets globally, including supply chain, inflation, and labor shortage issues, and could continue to have a lingering negative affect on economic growth and financial markets worldwide, including within the State. Although the World Health Organization no longer considers COVID-19 to be a global public health emergency, how long the foregoing negative impacts will last cannot be determined at this time; however, these negative impacts could reduce property values, slow or cease development and sales within the Development and/or otherwise have a negative financial impact on the Developer or subsequent landowners. While the foregoing describes certain risks related to the recent outbreak of COVID-19, the same risks may be associated with any contagious epidemic, pandemic or disease.

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

The value of the lands subject to the Series 2023 Assessments could be adversely affected by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the 2023 Assessment Area or other District lands unable to support the development and construction of the Series 2023 Project or the CIP. The occurrence of any such events could materially adversely affect the District’s ability to collect Series 2023 Assessments and pay Debt Service on the Series 2023 Bonds. The Series 2023 Bonds are not insured and the District’s casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

### **Limited Secondary Market**

The Series 2023 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2023 Bonds in the event an owner thereof determines to solicit purchasers of the Series 2023 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2023 Bonds may be sold. Such price may be lower than that paid by the current owner of the Series 2023 Bonds, depending on the progress of the Series 2023 Project and the Development, existing market conditions and other factors.

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

The interest rate borne by the Series 2023 Bonds is, in general, higher than interest rates borne by other bonds of political subdivisions that do not involve the same degree of risk as investment in the Series 2023 Bonds. These higher interest rates are intended to compensate investors in the Series 2023 Bonds for the risk inherent in the purchase of the Series 2023 Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2023 Assessments that the District must levy in order to provide for payment of Debt Service on the Series 2023 Bonds, and, in turn, may increase the burden of landowners within the District, thereby possibly increasing the likelihood of non-payment or delinquency in payment of such Series 2023 Assessments.

The Indenture does not contain an adjustment of the interest rate on the Series 2023 Bonds in the event of a determination of taxability of the interest thereon. Such a change could occur as a result of the District's failure to comply with tax covenants contained in the Indenture or the tax certificate signed by the District upon issuance of the Series 2023 Bonds or due to a change in the United States income tax laws. Should interest on the Series 2023 Bonds become includable in gross income for federal income tax purposes, owners of the Series 2023 Bonds will be required to pay income taxes on the interest received on such Series 2023 Bonds and related penalties. Because the interest rate on such Series 2023 Bonds will not be adequate to compensate owners of the Series 2023 Bonds for the income taxes due on such interest, the value of the Series 2023 Bonds may decline. Prospective purchasers of the Series 2023 Bonds should evaluate whether they can own the Series 2023 Bonds in the event that the interest on the Series 2023 Bonds becomes taxable and/or the District is ever determined to not be a political subdivision for purposes of the Code and/or Securities Act.

### **IRS Audit and Examination Risk**

The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. There is no assurance that an audit by the IRS of the Series 2023 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable State or federal law. Owners of the Series 2023 Bonds are advised that, if the IRS does audit the Series 2023 Bonds, under its current procedures, at least during the early stages of an audit, the IRS will treat the District as the taxpayer, and the owners of the Series 2023 Bonds may have limited rights to participate in such procedure.\* The commencement of such an audit could adversely affect the market value and liquidity of the Series 2023 Bonds until the audit is concluded, regardless of the ultimate outcome. In addition, in the event of an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2023 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. An adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2023 Bonds may adversely impact any secondary market for the Series 2023 Bonds, and, if a secondary market exists, will likely adversely impact the price for which the Series 2023 Bonds may be sold.

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 applicable State law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the District were elected by the landowners and none were elected by qualified electors.

### **Florida Village Center CDD TAM**

In 2016, the IRS concluded its lengthy examination of certain issues of bonds (for purposes of this paragraph, the "Audited Bonds") issued by Village Center Community Development District (the "Village

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\* Owners of the Series 2023 Bonds are advised to consult with their own tax advisors regarding their rights (if any) with respect to such audit.

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 Agency 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.

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

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2023 Bonds. In some cases, these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2023 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2023 Bonds and their market value. No assurance can be given that legislative proposals will not be enacted that would apply to, or have an adverse effect upon, the Series 2023 Bonds. In addition, the IRS may, in the future, issue rulings that have the effect of changing the interpretation of existing tax laws. For example, in connection with federal deficit reduction, job creation and tax law reform efforts, proposals have been made and others are likely to be made that could significantly reduce the benefit of, or otherwise affect, the exclusion from gross income of interest on obligations like the Series 2023 Bonds. There can be no assurance that any such legislation or proposal will be enacted, and if enacted, what form it may take. The introduction or enactment of any such legislative proposals may affect, perhaps significantly, the market price for, or marketability of the Series 2023 Bonds.

It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor of the State, and, if adopted, the form thereof. It is

impossible to predict with certainty the impact that any pending or future legislation will or may have on the security for the Series 2023 Bonds.

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

Since the Series 2023 Bonds have not been, and will not be, registered under the Securities Act, or any state securities laws, because of the exemption for political subdivisions and regardless of any potential IRS determination that the District is not a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could independently determine that the District is not a political subdivision for purposes of the federal and state securities laws. Accordingly, the District and purchasers of the Series 2023 Bonds may not be able to rely on the exemption from registration relating to securities issued by political subdivisions. In that event, the owners of the Series 2023 Bonds would need to ensure that subsequent transfers of the Series 2023 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

### **Performance of District Professionals**

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

### **Mortgage Default and FDIC**

In the event a bank forecloses on a property in the 2023 Assessment Area because of a default on a mortgage with respect thereto and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2023 Assessments. In addition, the District would be required to obtain the consent of the FDIC prior to commencing a foreclosure action on such property for failure to pay Series 2023 Assessments.

The risks described under this "BONDOWNERS' RISKS" section does not purport to summarize all risks that may be associated with purchasing or owning the Series 2023 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety, and to ask questions of representatives of the District to obtain a more complete description of investment considerations relating to the Series 2023 Bonds.

## **TAX MATTERS**

### **Opinion of Bond Counsel**

In the opinion of Bond Counsel, the form of which is included as Appendix D hereto, the interest on the Series 2023 Bonds is excludable from gross income of the owners thereof for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax under existing statutes, regulations, rulings and court decisions; provided, however, with respect to certain corporations, interest on the Series 2023 Bonds is taken into account in determining the annual adjusted financial statement income for the purpose of computing the alternative minimum tax imposed on such corporations for tax years beginning after December 31, 2022. Failure by the District to comply subsequent

to the issuance of the Series 2023 Bonds with certain requirements of the Internal Revenue Code of 1986, as amended (the "Code"), including but not limited to requirements regarding the use, expenditure and investment of Series 2023 Bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2023 Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issuance. The District has covenanted to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2023 Bonds for purposes of federal income taxation. In rendering its opinion, Bond Counsel has assumed continuing compliance with such covenants.

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

The Code contains a number of provisions that apply to the Series 2023 Bonds, including, among other things, restrictions relating to the use or investment of the proceeds of the Series 2023 Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2023 Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2023 Bonds being included in gross income for federal income tax purposes retroactive to their date of issuance.

### **Collateral Tax Consequences**

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2023 Bonds. Prospective purchasers of the Series 2023 Bonds should be aware that the ownership of the Series 2023 Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2023 Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2023 Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2023 Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2023 Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2023 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES REFERRED TO ABOVE. PROSPECTIVE SERIES 2023 BONDHOLDERS SHOULD CONSULT WITH THEIR TAX ADVISORS FOR INFORMATION IN THAT REGARD.

### **Florida Taxes**

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

### **Other Tax Matters**

Interest on the Series 2023 Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2023 Bonds should consult their tax

advisors as to the income tax status of interest on the Series 2023 Bonds in their particular state or local jurisdictions.

The Inflation Reduction Act, H.R. 5376 (the "IRA"), was passed by both houses of the U.S. Congress and was signed by the President on August 16, 2022. As enacted, the IRA includes a 15 percent alternative minimum tax to be imposed on the "adjusted financial statement income", as defined in the IRA, of certain corporations for tax years beginning after December 31, 2022. Interest on the Series 2023 Bonds will be included in the "adjusted financial statement income" of such corporations for purposes of computing the corporate alternative minimum tax. Prospective purchasers that could be subject to this minimum tax should consult with their own tax advisors regarding the potential tax consequences of owning the Series 2023 Bonds.

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2023 Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alterations of federal tax consequences may have affected the market value of obligations similar to the Series 2023 Bonds. From time to time, legislative proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2023 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2023 Bonds.

On February 23, 2016, the Internal Revenue Service issued a notice of proposed rulemaking (the "Proposed Regulations") and notice of public hearing containing proposed regulations that provided guidance regarding the definition of political subdivision for purposes of the rules for tax-exempt bonds, including determinations of entities that are valid issuers of tax-exempt bonds. On October 4, 2017, the Treasury Department ("Treasury") announced that it would withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." The Proposed Regulations were officially withdrawn on October 20, 2017. See also "BONDOWNERS' RISKS" herein.

### **Original Issue Discount**

Certain of the Series 2023 Bonds (the "Discount Bonds") may be offered and sold to the public at an original issue discount, which is the excess of the principal amount of the Discount Bonds over the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bonds of the same maturity was sold. Original issue discount represents interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the Discount Bonds. Original issue discount will accrue over the term of a Discount Bond at a constant interest rate compounded semi-annually. An initial purchaser who acquires a Discount Bond at the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or other disposition of such Discount

Bond. The federal income tax consequences of the purchase, ownership and prepayment, sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Owners of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, prepayment or other disposition of such Discount Bonds and with respect to the state and local tax consequences of owning and disposing of such Discount Bonds.

### **Bond Premium**

Certain of the Series 2023 Bonds (the "Premium Bonds") may be offered and sold to the public at a price in excess of the principal amount of such Premium Bond, which excess constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of the Premium Bonds which term ends on the earlier of the maturity or call date for each Premium Bond which minimizes the yield on said Premium Bonds to the purchaser. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Premium Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Premium Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

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

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975. The District has issued no bonds prior to the issuance of the Series 2023 Bonds.

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

The Series 2023 Bonds are neither rated nor credit enhanced. No application for a rating or credit enhancement with respect to the Series 2023 Bonds was made.

### **VALIDATION**

The Bonds issued pursuant to the terms of the Master Indenture, which includes the Series 2023 Bonds, were validated by a Final Judgment of the Ninth Judicial Circuit Court in and for Osceola County, Florida, entered March 20, 2023. The appeal period from such final judgment has expired with no appeal having been filed.

## LITIGATION

### **The District**

There is no pending or, to the knowledge of the District, any threatened litigation against the District of any nature whatsoever which in any way questions or affects the validity of the Series 2023 Bonds, or any proceedings or transactions relating to their issuance, sale, execution, or delivery, or the execution of the Indenture. Neither the creation, organization or existence, nor the title of the present members of the Board or the District Manager is being contested.

From time to time, the District expects to experience routine litigation and claims incidental to the conduct of its affairs. In connection with the issuance and sale of the Series 2023 Bonds, District Counsel will represent to the District and the Underwriter that there are no actions presently pending or to the knowledge of the District threatened against the District, the adverse outcome of which could reasonably be expected to have a material adverse effect on the availability of the Series 2023 Trust Estate, or the ability of the District to pay the Series 2023 Bonds from the Series 2023 Trust Estate.

### **The Developer**

In connection with the issuance of the Series 2023 Bonds, the Developer will represent to the District that there is no litigation of any nature now pending or, to the knowledge of the Developer, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Developer to complete the Development as described herein, materially and adversely affect the ability of the Developer to pay the Series 2023 Assessments imposed against the land within the District 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.

## CONTINUING DISCLOSURE

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the SEC (the "SEC Rule"), the District, the Developer and Governmental Management Services – Central Florida, LLC, as dissemination agent (the "Dissemination Agent") will enter into a Continuing Disclosure Agreement (the "Disclosure Agreement"), the form of which is attached hereto as APPENDIX E. Pursuant to the Disclosure Agreement, the District has covenanted for the benefit of the Beneficial Owners to provide to the Dissemination Agent certain financial information and operating data relating to the District and the Series 2023 Bonds in each year (the "District Annual Report"), and to provide notices of the occurrence of certain enumerated material events. Such covenant by the District shall only apply so long as the Series 2023 Bonds remain Outstanding under the Indenture.

Pursuant to the Disclosure Agreement, the Developer has covenanted for the benefit of the Beneficial Owners to provide to the District and the Dissemination Agent certain financial information and operating data relating to the Developer and the Development in each year (the "Developer Report"). Such covenant by the Developer will apply only until the earlier to occur of (x) the payment and redemption of the Series 2023 Bonds, or (y) the date on which the Developer owns less than twenty (20) percent of the real property encumbered by the Series 2023 Assessments that secure the Series 2023 Bonds; provided, however, that the Developer has covenanted and agreed with the District that such covenant will run with the land to the extent that any successor in interest which holds the land for development shall assume the continuing disclosure obligations of the Developer.



The District Annual Report and the Developer Report (together, the “Reports”) will each be filed by the Dissemination Agent with the Municipal Securities Rulemaking Board’s Electronic Municipal Markets Access (“EMMA”) repository described in the form of the Disclosure Agreement attached hereto as APPENDIX E. The notices of material events will also be filed by the Dissemination Agent on EMMA. The specific nature of the information to be contained in the Reports and the notices of material events are described in APPENDIX E. The Disclosure Agreement will be executed by the District, the Developer and the Dissemination Agent at the time of issuance of the Series 2023 Bonds. The foregoing covenants have been made in order to assist the Underwriter in complying with the SEC Rule.

With respect to the Series 2023 Bonds, no parties other than the District and the Developer are obligated to provide, nor are expected to provide, any continuing disclosure information with respect to the SEC Rule. Neither the District nor the Developer has previously entered into a continuing disclosure undertaking.

### **UNDERWRITING**

The Underwriter will agree, pursuant to a contract to be entered into with the District, subject to certain conditions, to purchase the Series 2023 Bonds from the District at a purchase price of \$\_\_\_\_\_ (which is the par amount of the Series 2023 Bonds, [less/plus] [net] original issue [discount/premium] in the amount of \$\_\_\_\_\_ and less underwriter’s discount in the amount of \$\_\_\_\_\_). See “ESTIMATED SOURCES AND USES OF BOND PROCEEDS” herein. The Underwriter’s obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all the Series 2023 Bonds if any are purchased.

The Underwriter intends to offer the Series 2023 Bonds to Accredited Investors at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the Series 2023 Bonds to certain dealers (including dealers depositing the Series 2023 Bonds into investment trusts) at prices lower than the initial offering prices and such initial offering prices may be changed from time to time by the Underwriter.

### **LEGAL MATTERS**

The Series 2023 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to prior sale, withdrawal or modification of the offer without notice and the receipt of the opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, as to the validity of the Series 2023 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the District by its counsel Kutak Rock LLP, Tallahassee, Florida, for the Developer by its in-house counsel, for the Trustee by its counsel, Aponte & Associates Law Firm, P.L.L.C., Orlando, Florida and for the Underwriter by its counsel, Bryant Miller Olive P.A., Orlando, Florida.

### **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2023 Bonds, that it will not limit or alter the rights of the issuer of such bonds 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.

#### **NO FINANCIAL STATEMENTS**

To date, the District has not met the requirements necessary under State law to prepare audited financial statements. However, the District has covenanted in the form of Disclosure Agreement set forth in APPENDIX E attached hereto to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District fiscal year ended September 30, 2023. The Series 2023 Bonds are not general obligation bonds of the District and are payable solely from the Series 2023 Trust Estate. See "CONTINUING DISCLOSURE" herein.

#### **EXPERTS AND CONSULTANTS**

The references herein to the Consulting Engineer have been approved by said firm. The Engineer's Report prepared by such firm relating to the CIP and the Series 2023 Project, has been included as APPENDIX A attached hereto in reliance upon such firm as an expert in engineering. References to and excerpts herein from such Engineer's Report do not purport to be adequate summaries of such Engineer's Report or the CIP and the Series 2023 Project or complete in all respects. Such Engineer's Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein.

The references herein to the Methodology Consultant have been approved by said firm. The Assessment Report prepared by such firm relating to the issuance of the Series 2023 Bonds has been included as APPENDIX B attached hereto in reliance upon such firm as an expert in developing assessment methodologies. References to and excerpts herein from such Assessment Report do not purport to be adequate summaries of such Assessment Report or complete in all respects. Such Assessment Report is an integral part of this Limited Offering Memorandum and should be read in its entirety for complete information with respect to the subjects discussed therein. Governmental Management Services – Central Florida, LLC, has not been engaged to provide advice regarding the structuring or pricing of the Series 2023 Bonds.

#### **CONTINGENT AND OTHER FEES**

The District has retained Bond Counsel, District Counsel, the Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2023 Bonds. Payment of the fees of such professionals, except for the payment of fees to District Counsel and the Methodology Consultant, are each contingent upon the issuance of the Series 2023 Bonds.

#### **MISCELLANEOUS**

Any statements made in this Limited Offering Memorandum involving matters of opinion or of estimates, whether or not so expressly stated, are set forth as such and not as representations of fact, and no representation is made that any of the estimates will be realized. Neither this Limited Offering Memorandum nor any statement that may have been made verbally or in writing is to be construed as a contract with the Owners of the Series 2023 Bonds.

The information contained in this Limited Offering Memorandum has been compiled from official and other sources deemed to be reliable, and is believed to be correct as of the date of this Limited Offering Memorandum, but is not guaranteed as to accuracy or completeness by, and is not to be construed as a representation by, the Underwriter. The Underwriter listed on the cover page hereof has reviewed the information in this Limited Offering Memorandum in accordance with and as part of its responsibility to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriter does not guarantee the accuracy or completeness of such information.

The information and expressions of opinion herein are subject to change without notice and neither the delivery of this Limited Offering Memorandum nor any sale made hereunder is to create, under any circumstances, any implication that there has been no change in the affairs of the District from the date hereof. However, certain parties to the transaction, including the District, will, on the closing date of the Series 2023 Bonds, deliver certificates to the effect that nothing has come to their attention that would lead them to believe that applicable portions of this Limited Offering Memorandum contain an untrue statement of a material fact or omit to state a material fact that should be included herein for the purpose for which this Limited Offering Memorandum is intended to be used, or that is necessary to make the statements contained herein, in light of the circumstances under which they were made, not misleading and to the effect that from the date of this Limited Offering Memorandum to the date of closing of the Series 2023 Bonds that there has been no material adverse change in the information provided.

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

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**

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Chair, Board of Supervisors

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

**APPENDIX B**

**ASSESSMENT REPORT**

**APPENDIX C**

**FORMS OF THE MASTER INDENTURE AND  
FIRST SUPPLEMENTAL INDENTURE**

**APPENDIX D**

**FORM OF OPINION OF BOND COUNSEL**

**APPENDIX E**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**



# SECTION 5

## CONTINUING DISCLOSURE AGREEMENT

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated [July --, 2023], is executed and delivered by the **LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT** (the "Issuer"), **HANOVER TYSON, LLC**, a Florida limited liability company, and its successors and assigns (the "Developer") and **GOVERNMENTAL MANAGEMENT SERVICES – CENTRAL FLORIDA, LLC**, as Dissemination Agent (the "Dissemination Agent") in connection with the issuance by the Issuer of its \$[-----] aggregate principal amount of Capital Improvement Revenue Bonds, Series 2023 (the "Series 2023 Bonds"). The Series 2023 Bonds are being issued pursuant to a Master Trust Indenture dated as of [July 1, 2023] (the "Master Indenture") by and between the Issuer and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), as supplemented from time to time, and as particularly supplemented by a First Supplemental Trust Indenture by and between the Issuer and the Trustee, dated as of [July 1, 2023] (the "First Supplemental Indenture," and, together with the Master Indenture, the "Indenture"). The Issuer, the Developer and the Dissemination Agent covenant and agree as follows:

1. Purpose of this Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the Issuer, the Developer, and the Dissemination Agent for the benefit of the Beneficial Owners of the Series 2023 Bonds and to assist the Participating Underwriter in complying with the continuing disclosure requirements of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (the "SEC") pursuant to the Securities Exchange Act of 1934, as amended from time to time (the "Rule").

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. Definitions. In addition to the definitions set forth in the Indenture and the Limited Offering Memorandum, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined herein, the following capitalized terms shall have the following meanings:

**"Annual Report"** shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

**"Assessments"** shall mean the non-ad valorem special assessments pledged to the payment of the Series 2023 Bonds pursuant to the Indenture.

**"Beneficial Owner"** shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2023 Bonds (including persons holding Series 2023 Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Series 2023 Bonds for federal income tax purposes.

**"Business Day"** shall mean any day other than a Saturday, Sunday or a day on which the Trustee is required, or authorized or not prohibited by law (including executive orders), to close and is closed, or on any day on which the New York Stock Exchange is closed.

**"County Tax Collector"** shall mean the Osceola County Tax Collector.

**"Developer Report"** shall mean any Developer Report provided by the Developer, its successors or assigns, pursuant to, and as described in, Sections 5 and 6 of this Disclosure Agreement.

**"Development"** shall have the meaning ascribed thereto in the Limited Offering Memorandum.

**"Dissemination Agent"** shall mean, initially, Governmental Management Services – Central Florida, LLC, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer and which has filed with the Issuer and Trustee a written acceptance of such designation.

**"District Manager"** shall mean Governmental Management Services – Central Florida, LLC, or a successor District Manager.

**"Event of Bankruptcy"** shall be considered to have occurred when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governmental body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

**"Fiscal Year"** shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

**"Issuer Disclosure Representative"** shall mean the District Manager of the Issuer or his/her/its designee, or such other officer or employee as the Issuer shall designate in writing to the Trustee and the Dissemination Agent from time to time.

**"Limited Offering Memorandum"** shall mean the final offering document relating to the Series 2023 Bonds.

**"Listed Events"** shall mean any of the events listed in Section 7(a) of this Disclosure Agreement.

**"Obligated Person"** shall mean any person, including the Issuer and the Developer, and its successors and assigns, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all or part (twenty percent (20%) or more) of the obligations on the Series 2023 Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities).

**"Participating Underwriter"** shall mean the original underwriter of the Series 2023 Bonds required to comply with the Rule in connection with offering of the Series 2023 Bonds.

**"Repository"** shall mean each entity authorized and approved by the SEC from time to time to act as a repository for purposes of complying with the Rule. The Repositories currently approved by the SEC may be found by visiting the SEC's website at "<http://www.sec.gov/info/municipal/nrmsir.htm>." As of the date hereof, the Repository recognized by the SEC for such purpose is the Municipal Securities Rulemaking Board, which currently accepts continuing disclosure submissions through its Electronic Municipal Market Access ("EMMA") web portal at "<http://emma.msrb.org>."

**"State"** shall mean the State of Florida.

3. Provision of Annual Reports.

(a) The Issuer shall, or shall cause the Dissemination Agent to, by April 1 of the calendar year following the end of each Fiscal Year of the Issuer (the "Annual Filing Date"), beginning April 1, 2024 with respect to the report for the Issuer's Fiscal Year ending September 30, 2023, provide to any Repository in electronic format as prescribed by such Repository an Annual Report which is consistent with the requirements of Section 4 of this Disclosure Agreement. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; provided that the audited financial statements of the Issuer may be submitted separately from the balance of the Annual Report and later than the date required above, but in no event later than the date required to be filed with the State pursuant to applicable State law (currently within nine (9) months of the end of the Issuer's Fiscal Year), for the filing of the Annual Report if they are not available by that date. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 7(a).

(b) If on the fifteenth (15th) day prior to each Annual Filing Date the Dissemination Agent has not received a copy of the Annual Report, the Dissemination Agent shall contact the Issuer Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 3(a) above. Upon such reminder, the Issuer Disclosure Representative, shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report in accordance with Section 3(a) above, or (ii) instruct the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date

by which the Annual Report for such year will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 7(a)(17) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name, address and filing requirements of any Repository; and

(ii) within five (5) Business Days of filing the Annual Report, file a notice with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing any Repository to which it was provided.

4. Content of Issuer's Annual Report.

(a) The Issuer's Annual Report shall contain or incorporate by reference the following, which includes an update of the financial and operating data of the Issuer to the extent presented in the Limited Offering Memorandum. All information in the Annual Report shall be presented for the immediately preceding Fiscal Year and, to the extent available, the current Fiscal Year:

(i) The amount of Assessments levied.

(ii) The amount of Assessments collected from property owners.

(iii) If available, the amount of delinquencies greater than 150 days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of Assessments due in any year, a list of delinquent property owners with respect to Assessments billed and collected directly by the Issuer and with respect to Assessments collected by the County Tax Collector, unless such information is not available from the County Tax Collector.

(iv) The amount of tax certificates sold, if any, and the balance, if any, remaining for sale.

(v) All fund balances in all Funds and Accounts for the Series 2023 Bonds. Upon request, the Issuer shall provide any Beneficial Owners and the Dissemination Agent with this information more frequently than annually and, in such case, shall provide such information within thirty (30) days of the written request of the Beneficial Owners.

(vi) The total amount of Series 2023 Bonds Outstanding.

(vii) The amount of principal and interest due on the Series 2023 Bonds.

(viii) The most recent audited financial statements of the Issuer which shall be prepared in accordance with governmental accounting standards promulgated by the Government Accounting Standards Board.

(ix) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

(b) To the extent any of the items set forth in subsections (i) through (vii) above are included in the audited financial statements referred to in subsection (viii) above, they do not have to be separately set forth.

(c) The Issuer represents and warrants that it will supply, in a timely fashion, any information available to the Issuer and reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer or others as thereafter disseminated by the Dissemination Agent.

The information provided under this Section 4 may be included by specific reference to documents, including official statements of debt issues of the Issuer or related public entities, which are available to the public on EMMA (or any successor Repository's website) or filed with the SEC. The Issuer shall clearly identify each such other document so incorporated by reference.

The Issuer reserves the right to modify from time to time the specific types of information provided in its Annual Report or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the Issuer; provided that the Issuer agrees that any such modification will be done in a manner consistent with the Rule.

#### 5. Provision of Developer Report.

(a) The Developer shall, or shall cause the Dissemination Agent to, for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year (the "Quarterly Filing Date"), beginning with the quarter ending December 31, 2023, provide to any Repository in electronic format as prescribed by such Repository a Developer Report which is consistent with the requirements of Section 6(b) of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to each Quarterly Filing Date the Dissemination Agent has not received a copy of the Developer Report due on such Quarterly Filing Date, the Dissemination Agent shall contact the Developer by telephone and in writing

(which may be by e-mail) to remind the Developer of its undertaking to provide the Developer Report pursuant to this Section 5. Upon such reminder, the Developer shall either (i) provide the Dissemination Agent with an electronic copy of the Developer Report in accordance with Section 5(a) above, or (ii) instruct the Dissemination Agent in writing that the Developer will not be able to file the Developer Report within the time required under this Disclosure Agreement and state the date by which such Developer Report will be provided.

(c) If the Dissemination Agent has not received a Developer Report that contains the information in Section 6(b) of this Disclosure Agreement by 12:00 noon on the first Business Day following each Quarterly Filing Date, a Listed Event described in Section 7(a)(17) shall have occurred and the Issuer and the Developer hereby direct the Dissemination Agent to send a notice to each Repository in substantially the form attached as Exhibit A hereto, with a copy to the Issuer. The Dissemination Agent shall file such notice no later than ten (10) days following the applicable Quarterly Filing Date.

(d) The Dissemination Agent shall:

(i) determine prior to each Quarterly Filing Date the name and address of each Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Developer and the Issuer stating that the Developer Report has been provided pursuant to this Disclosure Agreement and stating the date(s) it was provided.

6. Content of Developer Report.

(a) The Developer, so long as it is an Obligated Person for purposes of this Disclosure Agreement, shall file, or cause to be filed by the Dissemination Agent, a Developer Report no later than the Quarterly Filing Date. At such time as the Developer is no longer an Obligated Person, the Developer will no longer be obligated to prepare any quarterly Developer Report pursuant to this Disclosure Agreement; provided, however, if the Developer was an Obligated Person at any time during a quarter, the Developer shall report for the remainder of that quarter indicating in such report the date that the Developer ceased being an Obligated Person.

(b) Each quarterly Developer Report shall contain the following information:

(i) An update of the product mix table included in the subsection "THE DEVELOPMENT – Residential Land Use and Development Plan" of the Limited Offering Memorandum;

(ii) A description of the infrastructure improvements and recreational amenities needed for the Development that have been completed and that are currently under construction;

- (iii) The number of assessable units planned on property subject to the Assessments;
- (iv) The number of assessable units closed with retail end users;
- (v) The number of assessable units under contract with retail end users;
- (vi) If applicable, the number of lots under contract with builders, together with the name of each builder;
- (vii) If applicable, the number of lots closed with builders, together with the name of each builder;
- (viii) The estimated date of complete build-out of assessable units;
- (ix) Whether the Developer has made any bulk sale of the land subject to the Assessments;
- (x) Materially adverse changes or determinations to permits/approvals/entitlements for the Development which necessitate changes to the Developer's land-use or other plans for the Development;
- (xi) Updated plan of finance (i.e., change in status of any credit enhancement, issuance of additional bonds to complete project, draw on credit line of Developer, additional mortgage debt, etc.); and
- (xii) Any event that would have a material adverse impact on the implementation of the Development as described in the Limited Offering Memorandum or on the Developer's ability to undertake the Development as described in the Limited Offering Memorandum.

(c) Any of the items listed in subsection (b) above may be incorporated by reference from other documents which have been submitted to each of the Repository or the SEC. The Developer shall clearly identify each such other document so incorporated by reference.

(d) If the Developer sells, assigns or otherwise transfers ownership of real property in the Development to a third party, which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Developer hereby agrees to require such third party to comply with the disclosure obligations of the Developer hereunder for so long as such third party is an Obligated Person hereunder, to the same extent as if such third party were a party to this Disclosure Agreement. The Developer involved in such Transfer shall promptly notify the Issuer and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5, 6, 7 and 9 hereof, the term "Developer" shall be deemed to include the Developer and any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the



event that the Developer remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Developer from its obligations hereunder.

7. Reporting of Listed Events.

(a) Pursuant to the provisions of this Section 7, the Issuer shall give, or cause to be given, notice of the occurrence of any of the following events with respect to the Series 2023 Bonds (to the extent they pertain to the Issuer as an Obligated Person for subsections 10, 12, 13, 15, 16, 17 and 18) and the Developer shall give, or cause to be given, notice of the occurrence of numbers 10, 12, 13, 15, 16, 17 and 18 of the following events as they pertain to the Developer (and the Issuer shall not be responsible therefor), to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after the occurrence of the event, with the exception of the event described in subsection 17 below, which notice shall be given in a timely manner:

1. principal and interest payment delinquencies;
2. non-payment related defaults, if material;
3. unscheduled draws on debt service reserves reflecting financial difficulties;
4. unscheduled draws on credit enhancements reflecting financial difficulties;
5. substitution of credit or liquidity providers, or their failure to perform;
6. adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701 TEB) or other material notices or determinations with respect to the tax status of the Series 2023 Bonds, or other material events affecting the tax status of the Series 2023 Bonds;
7. modifications to rights of the holders of the Series 2023 Bonds, if material;
8. bond calls, if material, and tender offers;
9. defeasances;
10. release, substitution, or sale of property securing repayment of the Series 2023 Bonds, if material (sale of individual lots by developers or homeowners to end users shall not be material for purposes of this Disclosure Agreement);
11. ratings changes;

12. an Event of Bankruptcy or similar event of an Obligated Person;
13. the consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;
14. appointment of a successor or additional trustee or the change of name of a trustee, if material;
15. incurrence of a financial obligation (as defined by the Rule) of the Issuer or an Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a financial obligation of the Issuer or an Obligated Person, any of which affect security holders, if material;
16. default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the financial obligation of the Issuer or an Obligated Person, any of which reflect financial difficulties;
17. notice of any failure on the part of the Issuer to meet the requirements of Section 3 hereof or of the Developer to meet the requirements of Section 5 hereof; and
18. the termination of the Issuer's or the Developer's obligations under this Disclosure Agreement prior to the final maturity of the Series 2023 Bonds, pursuant to Section 9 hereof.

(b) The notice required to be given in paragraph 7(a) above shall be filed with any Repository, in electronic format as prescribed by such Repository.

8. Identifying Information. In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but shall not be limited to:

- (a) the category of information being provided;
- (b) the period covered by any annual financial information, financial statement or other financial information or operation data;

- (c) the issues or specific securities to which such documents are related (including CUSIPs, issuer name, state, issue description/securities name, dated date, maturity date, and/or coupon rate);
- (d) the name of any Obligated Person other than the Issuer;
- (e) the name and date of the document being submitted; and
- (f) contact information for the submitter.

9. Termination of Disclosure Agreement. The Issuer's obligations and the Developer's obligations under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Series 2023 Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is repealed or no longer in effect. Furthermore, the Developer's obligations shall terminate at such time as the Developer is no longer an Obligated Person. If any such termination occurs prior to the final maturity of the Series 2023 Bonds, the Issuer and/or the Developer shall give notice of such termination in the same manner as for a Listed Event under Section 7 hereof.

10. Dissemination Agent. The Issuer may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Disclosure Agreement, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent. If at any time there is not any other designated Dissemination Agent, the Issuer shall be the Dissemination Agent. The initial Dissemination Agent shall be Special District Services, Inc.. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer or any Obligated Person pursuant to this Disclosure Agreement. The Dissemination Agent may terminate its role as Dissemination Agent upon delivery of sixty (60) days' prior written notice to the Issuer and each Obligated Person. The Issuer may terminate its agreement with the Dissemination Agent at any time upon delivery of sixty (60) days' written notice to the Dissemination Agent and each Obligated Person.

11. Amendment. Notwithstanding any other provision of this Disclosure Agreement, the Issuer, the Developer and the Dissemination Agent (if the Dissemination Agent is not the Issuer) may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

- (a) The amendment may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer and/or the Developer, or the type of business conducted;
- (b) The undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the Series 2023 Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment does not materially impair the interests of the holders, as determined either (i) by parties unaffiliated with the Issuer (such as the Trustee or Bond Counsel), or (ii) by the approving vote of bondholders pursuant to the terms of the Indenture at the time of the amendment.

Notwithstanding the foregoing, the Issuer, the Developer and the Dissemination Agent shall have the right to adopt amendments to this Disclosure Agreement necessary to comply with modifications to and interpretations of the provisions of the Rule as announced by the SEC from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer and the Developer shall describe such amendment in its next Annual Report or Developer Report, as applicable, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer or the Developer, as applicable. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements of the Issuer, (i) notice of such change shall be given in the same manner as for a Listed Event under Section 7(b), and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

Notwithstanding anything to the contrary herein requiring consent of the Developer, the Issuer may amend this Disclosure Agreement without the consent of the Developer with respect to any provision hereof that does not affect the Developer.

12. Additional Information. Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer or the Developer from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or Developer Report or notice of occurrence of Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer or the Developer chooses to include any information in any Annual Report or Developer Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Agreement, the Issuer or the Developer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or Developer Report or notice of occurrence of a Listed Event.

13. Default. In the event of a failure of the Issuer, the Developer, the Issuer Disclosure Representative or a Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the Owners of more than 50% of the aggregate principal amount of outstanding Series 2023 Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any Beneficial Owner of a Series 2023 Bond may take such actions as may be necessary and appropriate, including seeking mandate or specific

performance by court order, to cause the Issuer, the Developer, the Issuer Disclosure Representative or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. No default hereunder shall be deemed an Event of Default under the Indenture, and the sole remedy under this Disclosure Agreement in the event of any failure of the Issuer, the Developer, the Issuer Disclosure Representative or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

14. Duties of Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement.

15. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Developer, the Dissemination Agent, the Trustee, the Participating Underwriter and Beneficial Owners of the Series 2023 Bonds, and shall create no rights in any other person or entity.

16. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

17. Governing Law. This Disclosure Agreement shall be governed by the laws of the State and federal law.

18. Trustee Cooperation. The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and directs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports that are in the possession of and readily available to the Trustee that the Dissemination Agent requests that the Issuer has a right to request from the Trustee (inclusive of balances, payments, etc.).

[End of document – signatures to follow]

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**LAKE LIZZIE COMMUNITY  
DEVELOPMENT DISTRICT**, as Issuer

CONSENTED TO AND AGREED TO BY:

\_\_\_\_\_  
Anthony Iorio, Chair, Board of Supervisors

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**, and its  
successors and assigns, as Issuer Disclosure  
Representative

\_\_\_\_\_  
George Flint, Vice President

JOINED BY **U.S. BANK TRUST COMPANY,  
NATIONAL ASSOCIATION**, as Trustee for  
purposes of Sections 13, 15 and 18 only

\_\_\_\_\_  
Scott Schuhle, Vice President

**HANOVER TYSON, LLC**, a Florida limited  
liability company, as Developer

\_\_\_\_\_  
[Name], [Title]

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**, as  
Dissemination Agent

\_\_\_\_\_  
George Flint, Vice President

**EXHIBIT A**

**NOTICE TO REPOSITORIES  
OF FAILURE TO FILE ANNUAL REPORT/DEVELOPER REPORT**

Name of Issuer: Lake Lizzie Community Development District

Name of Bond Issue: \$[-----] Capital Improvement Revenue Bonds, Series 2023

Date of Issuance: [July --, 2023]

Obligated Person: Lake Lizzie Community Development District  
Hanover Tyson, LLC

CUSIPS: [To Come]

**NOTICE IS HEREBY GIVEN** that the [Issuer] [Developer] has not provided an [Annual Report] [Developer Report] with respect to the above-named Series 2023 Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated [July --, 2023], among the Issuer, the Developer and the Dissemination Agent named therein. The [Issuer] [Developer] has advised the undersigned that it anticipates that the [Annual Report] [Developer Report] will be filed by \_\_\_\_\_, 20\_\_.

Dated: \_\_\_\_\_, \_\_\_\_\_, Dissemination Agent

cc: [Issuer] [Developer]

# SECTION 6



AMENDED AND RESTATED MASTER ENGINEER'S REPORT  
OF THE  
LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT

PREPARED FOR:

BOARD OF SUPERVISORS  
LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT

ENGINEER:

HANSON, WALTER & ASSOCIATES, INC.  
8 Broadway, Suite 104  
Kissimmee, Florida 34741

November 2, 2022, as updated May 31, 2023

**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**

**AMENDED AND RESTATED MASTER ENGINEER'S REPORT**

**1. INTRODUCTION**

The purpose of this report is to provide a description of the master capital improvement plan (“CIP”) and estimated costs of the CIP, for the Lake Lizzie Community Development District (“District”), which will be developed in two (2) phases.

**2. GENERAL SITE DESCRIPTION**

The District encompasses a development known as Trinity Place (“Trinity Place” or “Development”). Trinity Place is a Low Density Residential (LDR) Development established in the Osceola County Comprehensive Plan and all of the Development is served by the District. The Development is located in unincorporated Osceola County, Florida, lying in Sections 3 and 10, Township 26 South and Range 31 east, as more particularly shown in **Exhibit 2.1** of the attached Appendix. The general location of the Development is north of Lake Lizzie Drive and west of Pine Grove Road.

As noted in **Exhibit 2.2**, the District’s boundaries include approximately 72.18 acres of land located in Osceola County, Florida (“County”).

**3. PROPOSED MASTER CAPITAL IMPROVEMENT PLAN PURPOSE AND SCOPE OF THE REPORT**

The purpose of this report is to provide a description of the CIP to be financed, constructed and/or acquired by the District, and to provide an estimated apportionment of the categories of costs for the CIP. A corresponding assessment methodology will be developed by the District’s methodology consultant. The CIP is intended to provide master public infrastructure improvements for the lands within the District, which are planned for 311 residential units.

The proposed site plan for the District is attached to this report as **Exhibit 3.1**, and the plan enumerates the proposed lot count for the District. The following charts show the planned product types and land uses for the District:

**TABLE 3.1  
LAND USE SUMMARY**

Type of Use	Total Project Area +/-	Phase 1	Phase 2
Residential*	56.09	35.11	20.98
Open Space**	16.09	16.09	0
Total Area	72.18	51.20	20.98
% of Total Area	100%	71%	29%

\* Per the County’s Land Development Code, residential developments are required to provide a minimum of 20% open space which may include wetlands, stormwater ponds, recreation areas or green spaces.

\*\* Open Space represents land areas that will contain recreation and other uses in accordance with the County’s Land Development Code.

**TABLE 3.2  
PRODUCT TYPE SUMMARY**

Type of Use	Phase 1	Phase 2	Total
Single Family 50’ or greater lot width	141	118	259
Single Family less than 50’ lot width	52	0	52
<b>Total</b>	193	118	311

The CIP infrastructure includes the following Master Infrastructure, which is intended to serve all lands in the District:

**Roadway Improvements:**

The CIP includes off-site framework and local road improvements adjacent to the District boundary. Framework roads shall include Multi-Modal roadways, Boulevards and Avenues as defined in the Osceola County Comprehensive Plan Map Series TRN Maps. Pine Grove Road is depicted as a Boulevard in the TRN Map Series and will service the District. The responsibility for improving the framework roads is limited to the ownership limits of the District. Roadways will consist of a half section 2-lane improvement as an interim design that will be expanded in the future by adjacent developments or by the County or the City of St. Cloud (“City”) to provide a final cross section of a 2-lane divided corridor. The framework road includes the roadway asphalt, base, and subgrade, roadway curb and gutter, inlets, culverts, striping and signage landscaping and sidewalks within rights-of-way. All roads will be designed in accordance with FDOT and County standards.

The District will also have to construct an off-site safety improvement at the intersection of Pine Grove Road (Boulevard Framework Road) and Lake Lizzie Road adding a dedicated left turn lane for north bound to west bound turning movements.

Internal roadways will be financed by the District, and will be dedicated to the County for ownership, operation, and maintenance. Internal Alleys will be funded by the District and retained in ownership and maintenance responsibility.

Impact fee credits may be available in the form of mobility fee credits based upon a negotiated mobility fee agreement with the County. If the property is annexed into the City, the impact fee credits would have to be negotiated with the City in an Annexation Agreement. The County currently provides for credits for all improvements and land dedication that exceeds the specific needs of the project. To the extent the District funds improvements which generate impact fee credits or mobility fee credits, the District shall receive the credits and can then sell or transfer such credits as allowed by law.

### **Stormwater Management System:**

The District is located within the South Florida Water Management District (“**SFWMD**”) Alligator Lake basin. Conveyances to Alligator Lake will be via a County maintained ditch that outfalls via US 192 to Alligator Lake. The existing drainage conditions are depicted in **Exhibit 2.4** of the Appendix.

The stormwater collection and outfall system are a combination of roadway curbs, curb inlets, pipes, control structures and open lakes designed to treat and attenuate stormwater runoff from District lands. The stormwater system within the project discharges to Alligator Lake via an existing ditch system that conveys runoff from the Development across Lake Lizzie Road into an FDOT ditch system that continues along US 192 to Alligator Lake. The stormwater system will be designed consistent with the criteria established by SFWMD and the County for stormwater/floodplain management systems. The District will finance, construct and/or acquire, own, operate and maintain the stormwater system, with the exception that the County will own, operate, and maintain the inlets and storm sewer systems within County rights-of-way. The County and FDOT will be responsible for maintenance of the off-site ditch system.

NOTE: Construction of the master stormwater ponds will result in excess spoil material. The Developer is allowing the District to dispose of the excess spoil material within the project area instead of paying the additional cost of hauling and securing an off-site location to accept the excess spoil material. Spreading of the spoil material includes industry standard erosion control measures. Spreading of the spoil material does not include compaction or mass grading of the project area.

No private earthwork is included in the CIP. Accordingly, the District will not fund any costs of mass grading of lots.

### **Water, Wastewater and Reclaim Utilities:**

The District is within the City Joint Planning Area and Tohopekaliga Water Authority (“**Toho**”) Utility Service Area. Toho will provide potable water, wastewater disposal and reclaimed water services to the Development. Capacity for these utilities is available from Toho. Existing utilities are shown in **Exhibit 2.3** of the Appendix.

A water plant owned and operated by Toho located on Kissimmee Park Road in the City will service the property. Potable water connections will be made from water mains in Nova Road. A 16” water main currently exists within the Nova Road right of way. Proposed mains will be extended east through an easement on the School District of Osceola County’s property to the Development. The on-site water supply improvements include water mains that will be located within rights-of-way and used for potable water service and fire protection.

Wastewater from the Development will be collected in gravity sewer mains that will be serviced by a lift station just north of the property that will pump the wastewater into a force main that will connect into an existing force main in Nova Road. This force main is serviced by the Southside Wastewater Treatment Plant owned by Toho.

Wastewater improvements for the District will include an onsite 8" diameter gravity collection system, offsite force mains and a shared off-site lift station. The offsite force main connection will be made at Nova Road.

Reclaimed water will be secured from Toho. The Development will be serviced through a connection to the existing main in Nova Road and the extension of the main to the Development through an existing easement on the School Board of Osceola County's property that is immediately northwest of the Development.

The reclaim water distribution system will be constructed to provide service for irrigation throughout the Development and will consist of varying main sizes dependent on demand.

The water and reclaim distribution and wastewater collection systems for all phases will be completed by the District and then dedicated to Toho for ownership, operation, and maintenance. All mains will be designed and constructed in compliance with the City and the Florida Department of Environmental Protection ("**FDEP**") Standards. Note: City utilities have been acquired by Toho as of October 1, 2022.

The project will require extension of existing off-site mains to the site, in addition to creating looped connections of mains on site that will both serve the proposed Development and provide for expansion of the Toho infrastructure to service future developments. Mains or improvements that are increased in size to service the Development above the specific needs of the District will be eligible for impact fee credits via an upside agreement with Toho. To the extent the District funds improvements which generate impact fee credits, the District shall receive the credits and can sell or transfer such credits as allowed by law. Distribution of the impact fee credits received may be handled pursuant to separate agreements between the District, the City and Hanover Tyson, LLC ("**Developer**").

#### **Hardscape, Landscape, and Irrigation:**

The District will finance, construct and/or acquire landscaping, irrigation and hardscaping within District common areas and rights-of-way. Landscaping will consist of sod, shrubs, ground cover, trees and plants. The irrigation system will consist of spray and rotating heads providing irrigation coverage to the landscaped areas. Moreover, hardscaping will consist of entry features, benches, trashcans, accent pavement, etc. Existing vegetation will be utilized wherever possible.

The County has distinct design criteria requirements for planting and irrigation design. Therefore, the Development will at a minimum meet those requirements but, in most cases, exceed the requirements with enhancements for the benefit of the community.

All such landscaping, irrigation and hardscaping will be owned, maintained, and funded by the District. Such infrastructure, to the extent that it is in rights-of-way owned by the County will be maintained pursuant to a right-of-way agreement to be entered into with the County. Individual neighborhood HOA's may enter into an agreement with the District for the purpose of maintaining entry features, to include but not necessarily be limited to signage, landscape, accent lighting, hardscape, and irrigation.

#### **Street Lights / Undergrounding of Electrical Utility Lines**

The District intends to lease street lights through an agreement with Orlando Utility Commission (OUC) in which case the District would fund the street lights through an annual operations and maintenance assessment. As such, street lights are not included as part of the CIP.

The CIP does however include the undergrounding of electrical utility lines within right-of-way utility easements throughout the Development. Any lines and transformers located in such areas would be owned by OUC and not paid for by the District as part of the CIP.

**Recreational Amenities:**

As part of the CIP, the District may finance, construct or acquire an amenity park within a proposed open space/recreation tract. The District will finance amenities, parks and other common areas for the benefit of the District. These improvements may be funded, owned, and maintained by the District, or alternatively may be funded by the Developer and turned over to a homeowners' association for ownership, operation, and maintenance.

**Professional Services**

The CIP also includes various fees for professional services. These include: (i) engineering, surveying, architectural and legal fees, (ii) permitting and plan review costs, and (iii) development/construction management services fees that are required for the design, permitting, construction, acquisition or conveyance of the CIP.

**Off-Site Improvements**

Currently offsite utility improvements are limited to utility main extensions and looping to bring potable water, reclaimed water and wastewater to the Development and to provide a looped connection of the water main and reuse main to the Toho water system in Pine Grove Road. The mains would be eligible for impact fee credits for upsizing and the water main extension. To the extent the District funds improvements which generate impact fee credits, the District shall receive the credits and can then sell or transfer such credits as allowed by law.

The only offsite road improvements that are currently contemplated would be a portion of Pine Grove Road and Lake Lizzie Drive. Pine Grove Road off-site improvements are eligible for mobility fee credits by the County. To the extent the District funds improvements which generate mobility fee credits, the District shall receive the credits and then can sell or transfer such credits as allowed by law. In addition, all framework roads that are constructed above and beyond the needs of the Development would be eligible for mobility fee credits. This process is a negotiation with staff and will require the preparation of a mobility fee agreement to be approved by the Osceola County Board of County Commissioners.

As noted, the District's CIP functions as a system of improvements benefitting all lands within the District.

All the foregoing improvements are required by applicable development approvals. Note that, except as stated herein, there are no impact fee or similar credits available from the construction of any such improvements.

The following table, Table 3.3, shows who will finance, own and operate/maintain the various improvements of the CIP:

**TABLE 3.3**

Description	Ownership	Capital Financing*	Maintenance Entity
Stormwater Management Facilities	District	District	District
Potable Water System	Toho	District	Toho
Reclaimed Water System	Toho	District	Toho
Lift Stations & Sanitary Sewer System	Toho	District	Toho
Roadway Construction	Osceola County	District	Osceola County
Offsite Roadway Improvements**	Osceola County	District	Osceola County
Offsite Utility Improvements	Toho	District	Toho
Common Area Landscape, Hardscape & Irrigation***	District	District	District or HOA****
* Developer may contribute toward development costs ** Offsite Roadway improvements are to Pine Grove Road and Lake Lizzie Road *** Common Area includes: Parks, recreation, open space, conservation areas, buffers, etc. **** If HOA, pursuant to a maintenance agreement with the District			

**4. PERMITTING/CONSTRUCTION COMMENCEMENT**

All necessary permits for the construction of the CIP have been or will be obtained in the normal course by the Developer or the District prior to commencing construction, and include the following (as needed):

- SFWMD Environmental Resource Permit (Individual)
- SFWMD Consumptive Use Permit
- USACOE SAJ 90
- USFWS
- Osceola County Site Development Plan (SDP)
- FDEP NPDES
- City Utility Construction Permits.
- FDEP Potable Water
- FDEP Wastewater

**5. OPINION OF PROBABLE CONSTRUCTION COSTS**

Table 5.1 shown below presents, among other things, the Opinion of Probable Cost for the CIP. It is our professional opinion that the estimated costs set forth in Table 5.1 are both reasonable and consistent with market pricing for the CIP.

**TABLE 5.1**

<u>Facility Description</u>	<u>Phase 1 CIP Costs</u>	<u>Phase 2 CIP Costs</u>	<u>Total Project</u>
Roadways	\$3,063,000	\$ 534,000	\$3,597,000
Stormwater Management	\$3,750,000	\$ 590,000	\$4,340,000
Utilities (Water, Sewer, Reclaim)	\$4,372,000	\$1,100,000	\$5,472,000
Hardscape/Landscape/Irrigation/Trails	\$ 343,000	\$ 240,000	\$ 583,000
Undergrounding of Conduit	\$ 456,000	\$ 320,000	\$ 776,000
Environmental Conservation/Mitigation	\$ 428,000	\$ 0	\$ 428,000
Professional Services	\$ 500,000	\$ 280,000	\$ 780,000
Contingency (15%)	<u>\$1,936,800</u>	<u>\$ 459,600</u>	<u>\$2,396,400</u>
<b>TOTAL</b>	<b>\$14,848,800</b>	<b>\$3,523,600</b>	<b>\$18,372,400</b>

\* The probable costs estimated herein do not include anticipated carrying cost, interest reserves or other anticipated District expenditures that may be incurred.

The CIP will be designed in accordance with current governmental regulations and requirements. The CIP will serve its intended function so long as the construction is in substantial compliance with the design.

The cost estimates provided are reasonable to complete the required improvements and it is our professional opinion that the infrastructure improvements comprising the CIP will serve as a system of improvements that benefit and add value to all lands within the District. The cost estimates are based on prices currently being experienced in the County and FDOT Basis of Estimates Cost Area 7. Actual costs may vary depending on final engineering and approvals from regulatory agencies as well as other economic factors. It is further our opinion that the improvement plan is feasible, that there are no technical reasons existing at this time that would prevent the implementation of the CIP, and that it is reasonable to assume that all necessary regulatory approvals will be obtained in due course.

In sum, it is our opinion that: (1) the estimated cost of the CIP set forth herein to be paid by the District is not greater than the lesser of the actual cost or fair market value of such infrastructure; (2) that the CIP is feasible; and (3) that the assessable property within the District will receive a special benefit from the CIP that is at least equal to such costs.

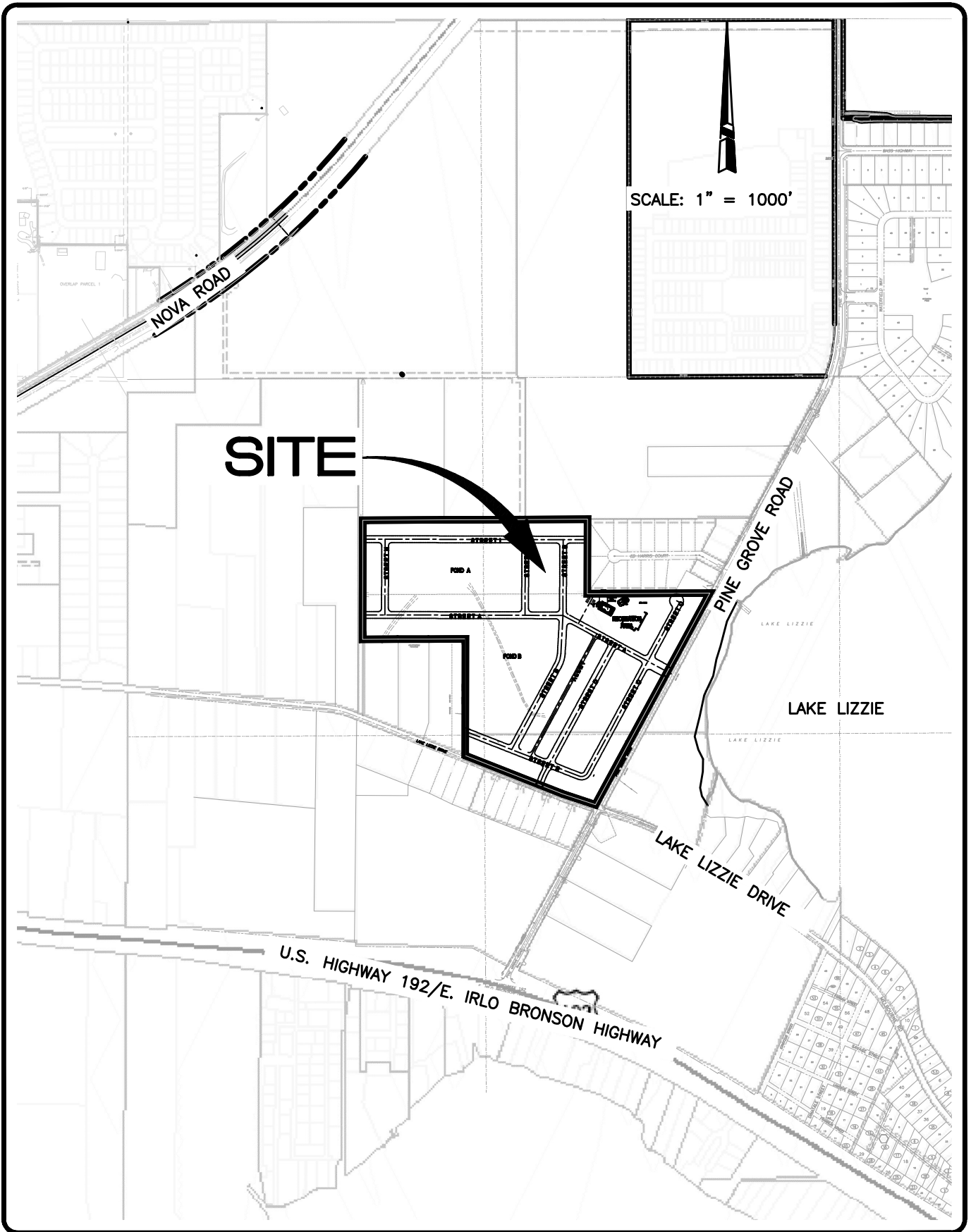
Please note that the CIP as presented herein is based on current plans and market conditions which are subject to change. Accordingly, the CIP, as used herein, refers to sufficient public infrastructure of the kinds described herein (i.e., stormwater/floodplain management, sanitary sewer, potable water, etc.) to support the development and sale of the planned 193 residential units in Phase 1 and 118 residential units in Phase 2 for a total of 311 residential units in the District, which (subject to true-up determinations) number and type of units may be changed with the development of the site. Stated differently, during development and implementation of the public infrastructure improvements as described for the District, it may be necessary to make modifications and/or deviations for the plans, and this report may be supplemented or amended to reflect the same, and the District expressly reserves the right to do so.



## APPENDIX

**Appendix  
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<b>Exhibit 2.1</b>	<b>Location Map</b>
<b>Exhibit 2.2</b>	<b>District Boundaries</b>
<b>Exhibit 2.3</b>	<b>Existing Utilities</b>
<b>Exhibit 2.4</b>	<b>Existing Drainage Map</b>
<b>Exhibit 3.1</b>	<b>Proposed Site Plan</b>



I:\5390\ENGINEERING\CADD\PLANS\EXHIBITS\S-5390 LOCATION MAP BLACK AND WHITE 7-27-22.dwg \* Jul 27, 2022-2:41pm \* plotted by ADonato



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 ENGINEERING, SURVEYING AND PLANNING



**HANSON, WALTER & ASSOCIATES, INC.**

# LAKE LIZZIE CDD

## LOCATION MAP

DATE 07/27/2022

SHEET 1 OF 1

## LEGAL DESCRIPTION:

PER CHICAGO TITLE INSURANCE COMPANY TITLE COMMITMENT  
FILE No. 20200389, DATED JULY 29, 2020 AT 5:00PM

### PARCEL:

From the Northwest corner of the Southwest 1/4 of Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run N89°68'40"E, along the North line of said Southwest 1/4, 1740.00 feet; run thence South, parallel to the West line of said Southwest 1/4, 1048.61 feet to the Point of Beginning; continue South, 550.00 feet; run thence N89°38'40"E, 1660.00 feet; run thence North, parallel to the West line of said Southwest 1/4, 550.00 feet; run thence S89°38'40"W, 1660.00 feet to the Point of Beginning.

### TOGETHER WITH:

From the Northwest corner of the Southwest 1/4 of Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run N89°38'40"E, along the North line of said Southwest 1/4, 1740.0 feet; run thence South, parallel to the West line of said Southwest 1/4, 1598.61 feet to the Point of Beginning; continue South, 330.0 feet, run thence N89°38'40"E, 660.0 feet; run thence South 822.26 feet to a point 25.0 feet off the centerline of Old Kissimmee-Melbourne Road; run thence S68°38'10"E, parallel to the centerline of said road, 878.57 feet, run thence S71°25'51"E, parallel to said centerline, 255.21 feet; run thence N28°16'35"E along the Westerly Right of Way line of State Road 534-A, 1778.4 feet; run thence S89°38'40"W, 2563.40 feet to the Point of Beginning, being in Sections 3 and 10, Township 26 South, Range 31 East, Osceola County, Florida; LESS AND EXCEPT: from the Northwest corner of the Southwest 1/4 of Section 3, run N89°38'40"E, along the North line of said Southwest 1/4, 170.0 feet; run thence South, parallel to the West line of said Southwest 1/4, 1928.61 feet; run thence N89°38'40"E, 660.0 feet to the Point of Beginning; continue N89°38'40"E, 100.0 feet; run thence South, 862.0 feet to the North Right of Way line of the Old Kissimmee-Melbourne Road; run thence N68°38'10"W, 107.38 feet along said Right of Way; run thence North, 822.26 feet to the Point of Beginning.

Total Area is 72.18 AC.



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# HWA

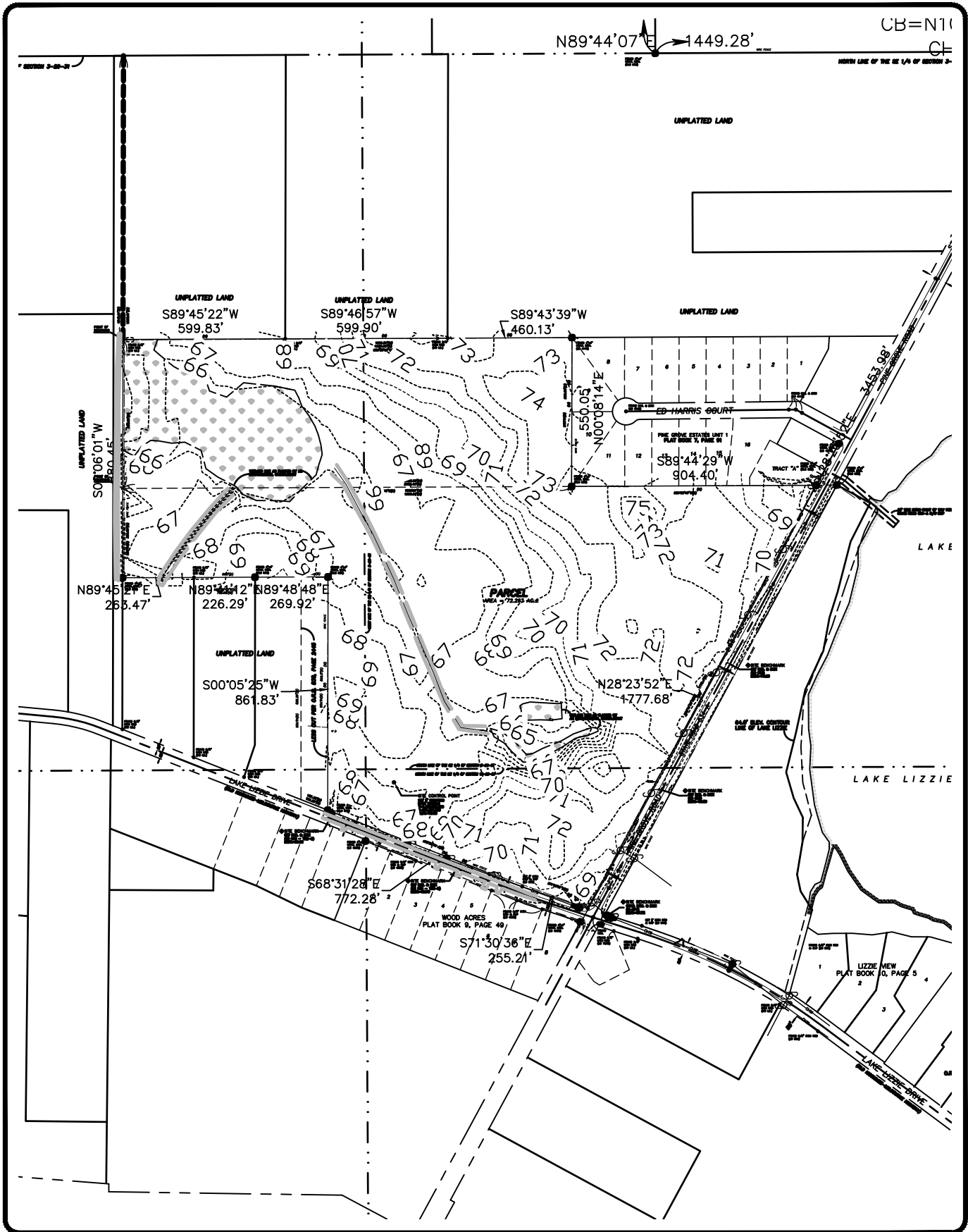
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## LAKE LIZZIE CDD

### LEGAL DESCRIPTION

DATE 03/24/2022

SHEET 1 OF 2



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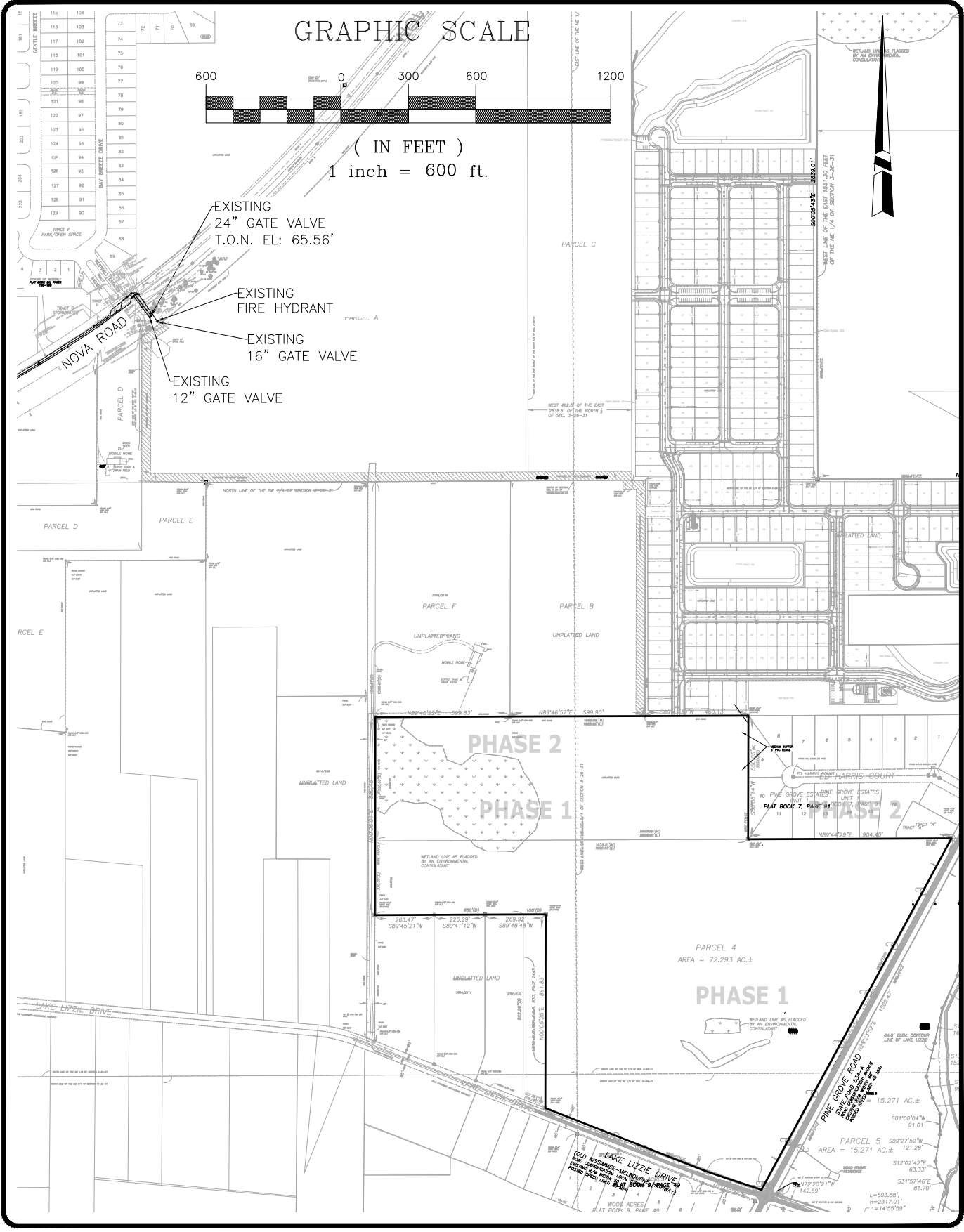
# LAKE LIZZIE CDD

## BOUNDARY SURVEY

DATE 03/24/2024

SHEET 2 OF 2

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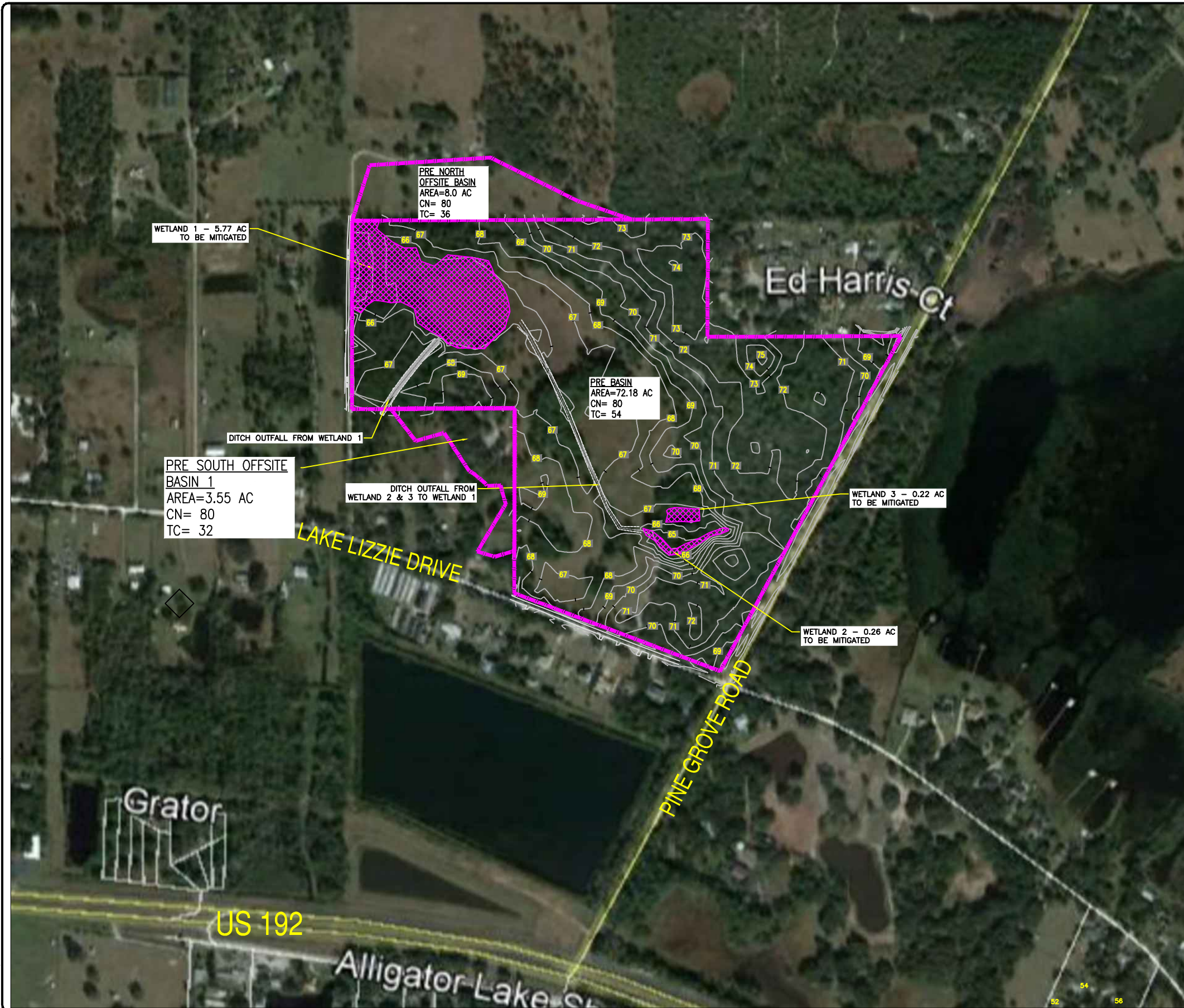

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**LAKE LIZZIE CDD**  
**EXISTING UTILITIES CONNECTION**  
 DATE 03/24/2022 SHEET 1 OF 1

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**NODES**  
 A = STAGE/AREA  
 V = STAGE/VOLUME  
 T = TIME/STAGE  
 M = MANHOLE

**BASINS**  
 O = OVERLAND FLOW  
 U = SCS UNIT CN  
 S = SBUH CN  
 Y = SCS UNIT GA  
 Z = SBUH GA

T: BNDRY
U: PRE BASIN
U: PRE NORTH OFFSITE BASIN
U: PRE SOUTH OFFSITE BASIN

**LINKS**  
 P = PIPE  
 W = WEIR  
 C = CHANNEL  
 D = DROP STRUCTURE  
 B = BRIDGE  
 R = RATING CURVE  
 H = BREACH  
 E = PERCOLATION  
 F = FILTER  
 X = EXFIL TRENCH

**PRE BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	65.93	or	2871773	or	91.34
Impervious	0.00	or	0	or	0.00
Wetlands	6.25	or	272387	or	8.66
<b>TOTAL</b>	<b>72.18</b>		<b>3,144,160</b>		<b>100</b>

**PRE NORTH OFFSITE BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	8.00	or	348480	or	100.00
Impervious	0.00	or	0	or	0.00
Wetlands	0.00	or	0	or	0.00
<b>TOTAL</b>	<b>8.00</b>		<b>348,480</b>		<b>100</b>

**PRE SOUTH BASIN INFORMATION**

Land Use	Area (ac)		Area (sf)		Percent (%)
Building Roof Area	0.00	or	0	or	0.00
Wet Detention Pond	0.00	or	0	or	0.00
Pervious	3.55	or	154657	or	100.00
Impervious	0.00	or	0	or	0.00
Wetlands	0.00	or	0	or	0.00
<b>TOTAL</b>	<b>3.55</b>		<b>154,657</b>		<b>100</b>

WETLAND TO BE IMPACTED

THIS DOCUMENT AND THE INFORMATION CONTAINED HEREIN ARE THE PROPERTY OF HANSON, WALTER & ASSOCIATES, INC. AND ARE TO BE USED ONLY FOR THE PROJECT AND SITE SPECIFICALLY IDENTIFIED ON THESE PLANS. ANY REUSE OR MODIFICATION OF THIS DOCUMENT WITHOUT THE WRITTEN CONSENT OF HANSON, WALTER & ASSOCIATES, INC. IS STRICTLY PROHIBITED.

DESIGN	CH	F.B. NO.	--	SEC.	03
DRAWN	RS	PAGE	--	TWP.	26 S
CHECKED	RN	SCALE	AS SHOWN	RANGE	31 E
CAD# (see stamp)		DATE	6/9/21	DATE	BY






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**HWA**  
 Hanson, Walter & Associates, Inc.

LAKE LIZZIE DRIVE SUBDIVISION

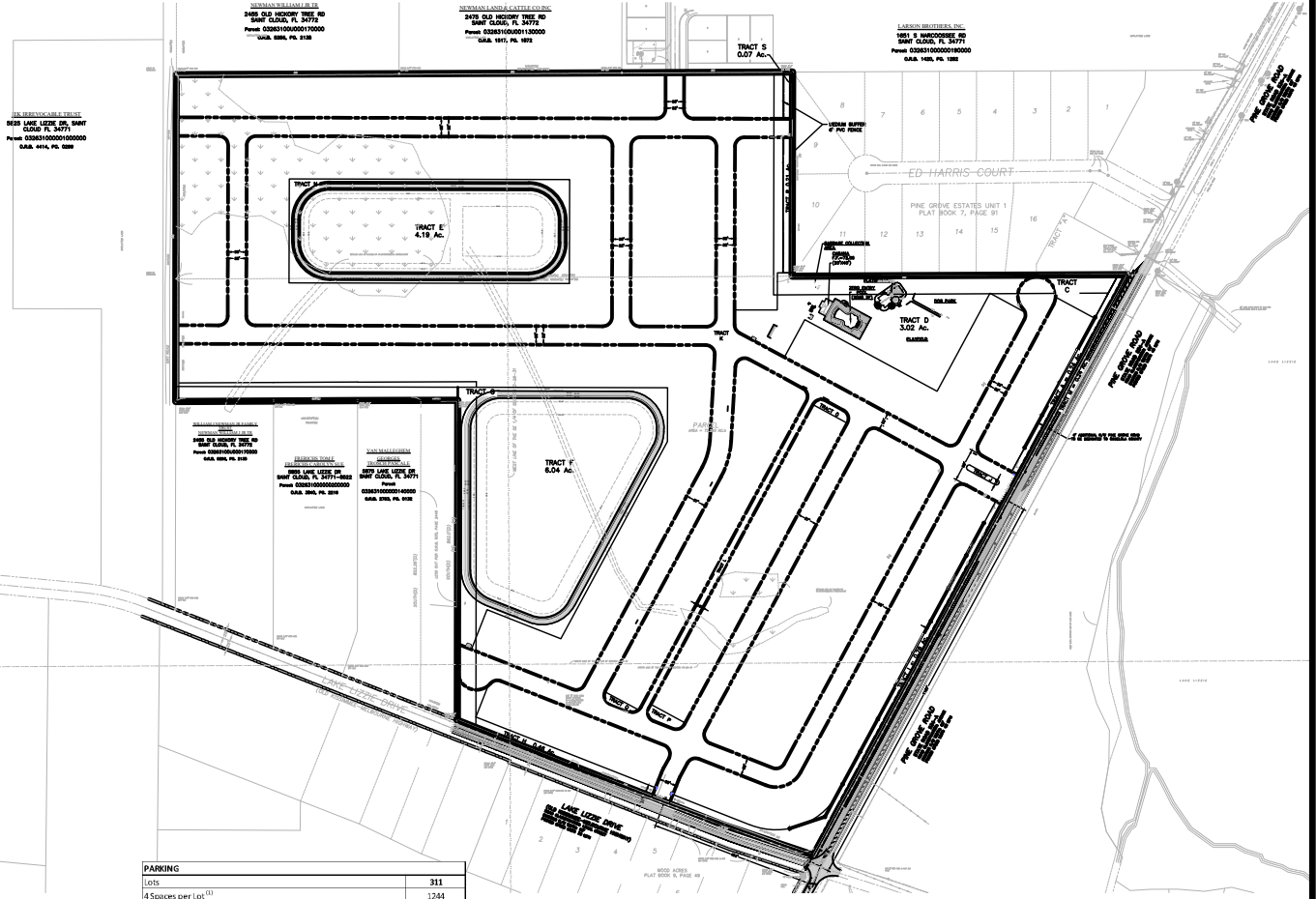
PRE-DEVELOPMENT  
BASIN MAP

SHEET No.  
 1 of 1  
 JOB No. 5390

**Legend**

-  JURISDICTIONAL WETLAND (TO BE MITIGATED)
-  EXISTING PAVEMENT FOR LAKE LIZZIE RD. & PINE GROVE RD.
-  PROPOSED PAVEMENT FOR INTERNAL ROAD
-  PROPOSED CONCRETE
-  NUMBER OF PARKING SPACES

TRACT	ACREAGE	PLANNED USE	OWNERSHIP & MAINTENANCE
TRACT A	0.24 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT C	0.32 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT D	3.02 AC	RECREATIONAL AREA	HOMEOWNERS ASSOC.
TRACT E	4.19 AC	OPEN SPACE/WATER MANAGEMENT/LANDSCAPE	HOMEOWNERS ASSOC.
TRACT F	6.04 AC	OPEN SPACE/WATER MANAGEMENT/LANDSCAPE	HOMEOWNERS ASSOC.
TRACT G	1.48 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT H	0.46 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT I	0.76 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT J	0.03 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT K	12.41 AC	PUBLIC ROADWAY (STREET A - STREET H)	OSCEOLA COUNTY
TRACT L	0.46 AC	PRIVATE (ALLEY)	PRIVATE
TRACT M	0.24 AC	DEDICATED R/W AREA	HOMEOWNERS ASSOC.
TRACT N	0.86 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT O	0.06 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT P	0.07 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT Q	0.04 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT R	0.21 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.
TRACT S	0.07 AC	OPEN SPACE/LANDSCAPE AREA	HOMEOWNERS ASSOC.



PARKING	
Lots	311
4 Spaces per Lot <sup>(1)</sup>	1244
1 Space for every 2 Dwelling Units <sup>(2)</sup>	155.5
<b>Total Parking (Required)</b>	<b>1400</b>
<b>Provided</b>	
Parking per Front Dwelling (246) (2 Car Garage + 2 Car Driveway)	984
Parking per Rear Load Dwelling (52) (2 Car Garage + 2 Car Driveway)	208
Parking per Side Load Dwelling (13) (2 Car Driveway)	52
On-Street Parking and Parking Lot	156
<b>Total Parking Provided</b>	<b>1400</b>

1) Parking Requirement based upon LDC 4.7.8  
2) Parking Requirement based upon LDC 4.6.1.B

SITE TABULATION FOR PHASE 1	
Project Area (Total)	72,293
Lots (Phase 1)	183

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (Ac)
Tract D - Recreation Tract (Cabana and Pool)	3.02	1:1 ratio (Open Space Area)	3.02
Adjusted Recreation Credit (Building Amenity) (Play Structure)	3,690 sq ft	1 acre for 5,000 of Building Amenity	0.72
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	6,000 sq ft	1 acre for 25,000 of Non-Building Amenity	0.24
Adjusted Recreation Credit (Non-Building Amenity) (Multi-Sports Field)	13,500 sq ft	1 acre for 25,000 of Non-Building Amenity	0.54
Tract ESR - Stormwater Pond	6.04	25% of pond	1.51
<b>Total Recreation Provided</b>			<b>5.99</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			5.99

SITE TABULATION FOR PHASE 2	
Project Area (Total)	72,293
Lots (Phase 2)	118

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (Ac)
Tract D - Recreation Tract (includes Cabana and Pool Area)	0.19	1:1 ratio (Open Space Area)	0.19
Adjusted Recreation Credit (Building Amenity) (Play Structure)	3,195 sq ft	1 acre for 5,000 of Building Amenity	0.64
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	0.19	1 acre for 25,000 of Non-Building Amenity	0.08
Adjusted Recreation Credit (Non-Building Amenity) (Multi-Sports Field)	0.19	1 acre for 25,000 of Non-Building Amenity	0.08
Tract ESR - Stormwater Pond	6.19	25% of pond	1.55
<b>Total Recreation Provided</b>			<b>2.55</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			2.55

SITE TABULATION	
Project Area	72,293
Lots	311

RECREATION CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (Ac)
Tract D - Recreation Tract	3.02	1:1 ratio (Open Space Area)	3.02
Adjusted Recreation Credit (Building Amenity) (Play Structure)	11,780 sq ft	1 acre for 5,000 of Building Amenity	2.36
Adjusted Recreation Credit (Non-Building Amenity) (Dog Park)	6,000 sq ft	1 acre for 25,000 of Non-Building Amenity	0.24
Adjusted Recreation Credit (Non-Building Amenity) (Multi-Sports Field)	13,500 sq ft	1 acre for 25,000 of Non-Building Amenity	0.54
Tract ESR - Stormwater Pond	10.29	25% of pond	2.56
<b>Total Recreation Provided</b>			<b>8.69</b>
Recreation Required per LDC 4.10.2 (1 acre per 50 lot)			8.62
Additional Area of Recreation Above Requirement (LDC 4.10.2 A-B)			1.79

OPEN SPACE CALCULATION			
Name	Area (sq)	Credit Allocation	Rec. Credit (Ac)
Tract A - Open Space/Landscape Area	0.24	1:1 ratio	0.24
Tract C - Open Space/Landscape Area	0.32	1:1 ratio	0.32
Tract D - Recreational Area	3.02	1:1 ratio	3.02
Tract E - Open Space/Water Management/Landscape	4.19	1:1 ratio or OWE (Up to 50% Total Open Space)	2.10
Tract F - Open Space/Water Management/Landscape	6.04	1:1 ratio or OWE (Up to 50% Total Open Space)	3.02
Tract G - Open Space/Landscape Area	1.48	1:1 ratio	1.48
Tract H - Open Space/Landscape Area	0.46	1:1 ratio	0.46
Tract I - Open Space/Landscape Area	0.76	1:1 ratio	0.76
Tract J - Open Space/Landscape Area	0.03	1:1 ratio	0.03
Tract K - Public Roadway (Street A - Street H)	12.41	1:1 ratio	12.41
Tract L - Private (Alley)	0.46	1:1 ratio	0.46
Tract M - Dedicated R/W Area	0.24	1:1 ratio	0.24
Tract N - Open Space/Landscape Area	0.86	1:1 ratio	0.86
Tract O - Open Space/Landscape Area	0.06	1:1 ratio	0.06
Tract P - Open Space/Landscape Area	0.07	1:1 ratio	0.07
Tract Q - Open Space/Landscape Area	0.04	1:1 ratio	0.04
Tract R - Open Space/Landscape Area	0.21	1:1 ratio	0.21
Tract S - Open Space/Landscape Area	0.07	1:1 ratio	0.07
Note: Tract A, L & M are not included in Open Space			
Excess Recreational Space	1.78	2:1 ratio	0.55
<b>Total Open Space Provided</b>			<b>18.09</b>
Open Space Required per LDC 4.10.1 (100% of Project Area)			14.46

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**HANSON, WALTER & ASSOCIATES, INC.**



**TRINITY PLACE CDD**  
**OVERALL SITE PLAN EXHIBIT**  
 DATE 03/24/2022 SHEET 1 OF 1

I:\5390\ENGINEERING\CADD\PLANS\EXHIBITS\5-5390\_OA SITE PLAN EXHIBIT.dwg \* Mar 24, 2022-3:01pm \* plotted by RSouser



# SECTION 7

**PRELIMINARY FIRST SUPPLEMENTAL  
ASSESSMENT METHODOLOGY  
FOR THE  
SERIES 2023 BONDS**

**LAKE LIZZIE  
COMMUNITY DEVELOPMENT DISTRICT**

**DRAFT**

**Date: June 7, 2023**

**Prepared by**

**Governmental Management Services - Central Florida, LLC  
219 E. Livingston Street  
Orlando, FL 32801**



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

## **1.0 Introduction**

The Lake Lizzie Community Development District is a local unit of special-purpose government organized and existing under Chapter 190, Florida Statutes, as amended (the “District”). The District plans to issue approximately \$3,430,000 of tax exempt bonds (the “Series 2023 Bonds” or “Bonds”) for the purpose of financing certain infrastructure improvements within the District, more specifically described in the Amended & Restated Master Engineer’s Report dated November 2, 2022, as updated May 31, 2023, prepared by Hanson, Walter & Associates, Inc. as may be amended and supplemented from time to time (the “Engineer’s Report”).

### **1.1 Purpose**

This First Supplemental Assessment Methodology Report (the “Supplemental Assessment Report”) supplements the Master Assessment Methodology dated November 2, 2022 (the “Master Report” and together with the Supplemental Assessment Report, the “Assessment Report”), and provides for an assessment methodology for allocating the debt assessments to properties within the District based on the special benefits each receives from the District’s capital improvement plan (“CIP”) relating to Phase One as further described in the Engineer’s Report (herein the “2023 Project”). The Assessment Report is designed to conform to the requirements of Chapters 190, 197 and 170, Florida Statutes with respect to special assessments and is consistent with our understanding of case law on this subject.

The District intends to collect non ad valorem special assessments on the benefited lands within the District securing repayment of the Series 2023 Bonds based on this Supplemental Assessment Report. It is anticipated that all of the proposed debt special assessments will be collected through the Uniform Method of Collection described in Chapter 197.3632, Florida Statutes or any other legal means of collection available to the District. It is not the intent of this Supplemental Assessment Report to address any other assessments, if applicable, that may be levied by the District, a homeowner’s association, or any other unit of government.

### **1.2 Background**

The District currently includes approximately 72.18 acres within unincorporated Osceola County, Florida. The development program for Phase One currently envisions approximately 193 residential units (herein the “2023 Project Area”), which represents a portion of the planned development within the District (the “Development”). It is recognized that such land use plan may change, and this Supplemental Assessment Report will be modified accordingly. As of the date of this Supplemental Assessment Report, all 193 units in Phase One are platted, with the remainder of the District remaining unplatted at this time.

The public improvements contemplated by the District in the 2023 Project will provide facilities that benefit certain property within the District. The 2023 Project is delineated in the Engineer's Report, which includes, but is not limited to, the construction and/or acquisition of certain roadways (onsite & offsite), stormwater management, utilities (water, sewer and reclaim facilities and including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency (collectively, "CIP"). The 2023 Project estimated acquisition and construction costs are summarized in Table 2.

The assessment methodology is a four-step process.

1. The District Engineer must first determine the public infrastructure improvements that may be provided by the District and the costs to implement the 2023 Project.
2. The District Engineer determines the assessable acres that benefit from the 2023 Project.
3. A calculation is made to determine the funding amounts necessary to acquire and/or construct the 2023 Project.
4. This amount is initially divided equally among the benefited properties on a prorated gross acreage basis. Ultimately, as land is platted, site planned, or subjected to a declaration of condominiums, this amount will be assigned to each of the benefited properties based on an ERU basis.

### **1.3 Special Benefits and General Benefits**

Improvements undertaken by the District create special and peculiar benefits to the assessable property, different in kind and degree than general benefits, for properties outside its borders as well as general benefits to the public at large.

However, as discussed within this Supplemental Assessment Report, these general benefits are incidental in nature and are readily distinguishable from the special and peculiar benefits, which accrue to the assessable property within the District. The implementation of the 2023 Project enables certain properties within its boundaries to be developed. Without the 2023 Project, there would be no infrastructure to support development of land within the District. Without these improvements, the proposed Development of the property within the District would be prohibited by law.

There is no doubt that the general public and property owners outside the District will benefit from the provision of the 2023 Project. However, these benefits will be incidental to the 2023 Project, which is designed solely to meet the needs of property within the District. Properties outside the District boundaries do not depend upon the 2023 Project. The property owners within the District are therefore receiving special benefits not received by those outside the District's boundaries.

## **1.4 Requirements of a Valid Assessment Methodology**

There are two requirements under Florida law for a valid special assessment:

- 1) The properties must receive a special benefit from the improvements being paid for.
- 2) The assessments must be fairly and reasonably allocated to the properties being assessed.

Florida law provides for a wide application of special assessments that meet these two requirements for valid special assessments.

## **1.5 Special Benefits Exceed the Costs Allocated**

The special benefits provided to the property owners within the District are greater than the costs associated with providing these benefits. The District Engineer estimates that the District's 2023 Project, which is necessary to support full development of certain property within the District, will cost approximately \$14,848,800. The District's underwriter projects that financing costs required to fund a portion of the 2023 Project, the cost of issuance of the Series 2023 Bonds, the funding of a debt service reserve, and capitalized interest, will be approximately \$3,430,000. Additionally, funding required to complete the 2023 Project which is not financed with Bonds will be funded by Hanover Tyson, LLC or a related entity (the "Developer"). Without the 2023 Project, the property within the District would not be able to be developed per the Development program and occupied by future residents of the community.

## **2.0 Assessment Methodology**

### **2.1 Overview**

The District is planning to issue approximately \$3,430,000 in Series 2023 Bonds to fund a portion of the 2023 Project, provide for capitalized interest, a debt service reserve account and cost of issuance. It is the purpose of this Assessment Report to allocate the \$3,430,000 in debt to the properties benefiting from the 2023 Project.

Table 1 identifies the proposed land uses as identified by the Developer and current landowners of the land within the District. The District has relied on the Engineer's Report to develop the costs of the 2023 Project needed to support a portion the Development, which construction costs are outlined in Table 2. The improvements needed to support the 2023 Project Area are described in detail in the Engineer's Report and are estimated to cost \$14,848,800. Based on the estimated costs, the size of the Bond issue under current market conditions needed to generate funds to pay for

the a portion of the 2023 Project and related costs was determined by the District's underwriter to total approximately \$3,430,000. Table 3 shows the breakdown of the bond sizing.

## **2.2 Allocation of Debt**

Allocation of debt assessments is a continuous process until the Development plan is completed. The 2023 Project funded by the Series 2023 Bonds benefits all developable acres within the District.

When platting, site planning, or the recording of declaration of condominium, ("Assigned Properties") occurs, the assessments will be allocated to the Assigned Properties based on the benefits they receive. Property that has not been platted, assigned development rights or subjected to a declaration of condominium ("Unassigned Properties"), will continue to be assessed on an equal assessment per acre basis. Eventually the Development plan will be completed and the debt relating to the Bonds is anticipated to be allocated and absorbed by the planned 193 residential units within the 2023 Project Area of the District, as depicted in Table 5 and Table 6. If there are changes to the Phase One Development plan, a true up of the assessment will be calculated to determine if a debt reduction or true-up payment from the Developer is required. That process is outlined in Section 3.0

The assignment of debt assessments pledged to the Series 2023 Bonds to platted units will be done on a first-platted, first assigned basis, consistent with the assessment methodology found in the Master Report and as further described below. The initial assessments will be allocated to the platted property within the District (which currently consists of 193 units in Phase One) at levels provided in Table 6. A fair and reasonable methodology allocates the debt incurred by the District proportionately to the properties receiving the special benefits. At this point, all of the lands within the District are benefitting from the improvements.

The debt assessment levels for platted units provided in this Supplemental Assessments Report have been determined based on target annual assessment installments provided by the Developer in order to achieve a certain market-level end user assessment. In order to reduce the debt service assessments for the Series 2023 Bonds to the target level under the methodology, the District shall recognize contributions of CIP infrastructure from the Developer. This is reflected in Table 5. Based on the product type and number of units anticipated to absorb a certain amount of the Bond principal, it is estimated that the Developer will contribute a total of \$605,000 in eligible infrastructure to the District.

### **2.3 Allocation of Benefit**

The 2023 Project includes but is not limited to roadways (onsite and offsite), stormwater management, utilities (water, sewer and reclaim facilities and including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency, as further provided in the Engineer's Report. There are *two* residential product types within the planned Development. The Single Family 50' home has been set as the base unit and has been assigned one equivalent residential unit ("ERU"). Table 4 shows the allocation of the 2023 Project costs to the particular land uses. It is important to note that the benefit derived from the improvements on the particular units exceeds the cost that the units will be paying for such benefits.

### **2.4 Lienability Test: Special and Peculiar Benefit to the Property**

Construction and/or acquisition by the District of a portion of the 2023 Project will provide several types of systems, facilities and services for its residents. These include roadways (onsite and offsite), stormwater management, utilities (water, sewer and reclaim facilities including offsite lift station), hardscape/landscape/irrigation/trails, undergrounding of conduit, environmental conservation/mitigation, professional fees and contingency. These improvements accrue in differing amounts and are somewhat dependent on the type of land use receiving the special benefits peculiar to those properties, which flow from the logical relationship of the improvements to the properties.

Once these determinations are made, they are reviewed in the light of the special benefits peculiar to the property, which flow to the properties as a result of their logical connection from the improvements in fact actually provided.

For the provision of 2023 Project, the special and peculiar benefits are:

- 1) the added use of the property,
- 2) added enjoyment of the property, and
- 3) the probability of increased marketability and value of the property.

These special and peculiar benefits are real and ascertainable, but are not yet capable of being calculated as to value with mathematical certainty. However, each is more valuable than either the cost of, or the actual non-ad valorem special assessment levied for the improvement or the debt as allocated.

### **3.0 True Up Mechanism**

Although the District does not process plats, declaration of condominiums, site plans or revisions thereto for the Developer, it does have an important role to play during



the course of platting and site planning. Whenever a plat, declaration of condominium or site plan is processed, the District must allocate a portion of its debt to the property according to the Assessment Report. In addition, the District must also prevent any buildup of debt on Unassigned Property. Otherwise, the land could be fully conveyed and/or platted without all of the debt being allocated. To preclude this, at the time Unassigned Properties become Assigned Properties, the District will determine the amount of anticipated assessment revenue that remains on the Unassigned Properties, taking into account the proposed plat, or site plan approval. If the total anticipated assessment revenue to be generated from the Assigned and Unassigned Properties is greater than or equal to the maximum annual debt service then no adjustment is required. If the revenue generated is less than the required amount then a debt reduction or true-up payment by the landowner in the amount necessary to reduce the par amount of the outstanding Bonds plus accrued interest to a level that will be supported by the new net annual debt service assessments will be required.

#### **4.0 Assessment Roll**

The debt service assessments pledged to the Series 2023 Bonds will be allocated to the platted 193 lots within Phase One of the District. If the land use plan changes, then the District will update Tables 1, 4, 5, 6 & 7 to reflect the changes. As a result, the assessment liens are neither fixed nor are they determinable with certainty on any acre of land in the District prior to the time final Assigned Properties become known. The current assessment roll is depicted in Table 7.

TABLE 1  
 LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
 DEVELOPMENT PROGRAM  
 FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	Phase 1 Units *	Totals	ERUs per Unit (1)	Total ERUs
Single Family 34'	52	52	0.75	39
Single Family 50'	141	141	1.00	141
Total Units	193	193		180

(1) Benefit is allocated on an ERU basis; based on density of planned development, with a Single Family 50' unit equal to one ERU.

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 2  
 LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
 INFRASTRUCTURE COST ESTIMATES  
 FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY

2023 Project (1)	Total Cost Estimate
Roadways	\$3,063,000
Stormwater Management	\$3,750,000
Utilities (Water, Sewer, Reclaim)	\$4,372,000
Hardscape/Landscape/Irrigation/Trails	\$343,000
Undergrounding of Conduit	\$456,000
Environmental Conservation/Mitigation	\$428,000
Professional Fees	\$500,000
Contingency (15%)	\$1,936,800
	<b>\$14,848,800</b>

(1) A detailed description of these improvements is provided in the Amended & Restated Master Engineer's Report dated November 2, 2022, as updated May 31, 2023.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 3**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**BOND SIZING**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

<b>Description</b>	<b>Series 2023 Bonds</b>
Construction Funds	\$2,980,017
Debt Service Reserve	\$120,015
Capitalized Interest	\$61,368
Underwriters Discount	\$68,600
Cost of Issuance	\$200,000
<b>Par Amount*</b>	<b>\$3,430,000</b>

Bond Assumptions:

Average Coupon	5.65%
Amortization	30 years
Capitalized Interest	Thru 11/1/2023
Debt Service Reserve	50% of Max Annual D/S
Underwriters Discount	2%

\* Par amount is subject to change based on the actual terms at the sale of the Bonds

Prepared by: Governmental Management Services - Central Florida, LLC

TABLE 4  
 LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT  
 ALLOCATION OF BENEFIT  
 FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY

Product Types	No. of Units *	ERU Factor	Total ERUs	% of Total ERUs	Total Improvements	
					Costs Per Product Type	Improvement Costs Per Unit
Single Family 34'	52	0.75	39.0	21.67%	\$3,217,240	\$61,870
Single Family 50'	141	1.00	141.0	78.33%	\$11,631,560	\$82,493
Totals	193		180	100.00%	\$14,848,800	

\* Unit mix is subject to change based on marketing and other factors

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 5**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**ALLOCATION OF TOTAL BENEFIT/PAR DEBT TO EACH PRODUCT TYPE**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Product Types	No. of Units *	Total Improvement Costs Per Product Type	Potential Allocation of Par Debt Per Product Type	Potential Allocation of Par Debt Per	Developer Contributions Per Product Type**	Developer Contributions Per Unit***	Allocation of 2023 Par Debt Per Product	2023 Par Debt Per Unit
Single Family 34'	52	\$3,217,240	\$874,250	\$16,813	(\$1,135)	(\$22)	\$873,115	\$16,791
Single Family 50'	141	\$11,631,560	\$3,160,750	\$22,417	(\$603,865)	(\$4,283)	\$2,556,885	\$18,134
<b>Totals</b>	<b>193</b>	<b>\$14,848,800</b>	<b>\$4,035,000</b>		<b>(\$605,000)</b>		<b>\$3,430,000</b>	

\* Unit mix is subject to change based on marketing and other factors.

\*\* In order for debt service assessment levels to be consistent with market conditions, developer contributions are recognized. Based on the product type and number of units anticipated to absorb the Bond Principal, it is estimated that the CDD will recognize a Developer contribution equal to \$605,000 in eligible CIP infrastructure.

\*\*\*Amount calculated by determining the difference between the Potential Allocation of Par Debt Per Product Type Per Unit and the 2023 Par Debt Per Unit.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 6**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**PAR DEBT AND ANNUAL ASSESSMENTS FOR EACH PRODUCT TYPE**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Product Types	No. of Units *	Allocation of Par Debt Per Product Type	Total Par Debt Per Unit	Maximum Annual Debt Service	Net Annual Debt Assessment Per Unit**	Per Unit on roll Annual Debt Assessment If Paid In November***	Gross Annual Debt Assessment Per Unit (1)
Single Family 34'	52	\$873,115	\$16,791	\$61,100	\$1,175.00	\$1,198.98	\$1,250.00
Single Family 50'	141	\$2,556,885	\$18,134	\$178,929	\$1,269.00	\$1,294.90	\$1,350.00
Totals	193	\$3,430,000		\$240,029			

(1) This amount includes 6% for collection fees and early payment discounts when collected on the County Tax Bill.

\* Unit mix is subject to change based on marketing and other factors.

\*\*Amounts represent targeted Annual Net Assessments Per Unit.

\*\*\*This amount includes 2% for County collection fees.

Prepared by: Governmental Management Services - Central Florida, LLC

**TABLE 7**  
**LAKE LIZZIE COMMUNITY DEVELOPMENT DISTRICT**  
**PRELIMINARY ASSESSMENT ROLL**  
**FIRST SUPPLEMENTAL ASSESSMENT METHODOLOGY**

Owner	Property	Units	Type	Total Par Debt Allocated	Net Annual Debt Assessment Allocation	Gross Annual Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 1	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 2	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 3	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 4	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 5	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 6	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 7	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 8	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 9	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 10	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 11	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 12	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 13	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 14	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 15	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 16	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 17	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 18	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 19	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 20	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 21	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 22	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 23	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 24	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 25	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 26	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 27	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 28	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 29	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 30	1	50'	\$18,134	\$1,269.00	\$1,350



Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 31	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 32	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 33	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 34	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 35	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 36	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 37	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 38	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 39	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 40	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 41	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 42	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 43	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 44	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 45	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 46	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 47	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 48	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 49	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 50	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 51	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 52	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 53	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 54	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 55	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 56	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 57	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 58	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 59	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 60	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 61	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 62	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 63	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 64	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 65	1	34'	\$16,791	\$1,175.00	\$1,250

Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 66	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 67	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 68	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 69	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 70	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 71	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 72	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 73	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 74	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 75	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 76	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 77	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 78	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 79	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 80	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 81	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 82	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 83	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 84	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 85	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 86	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 87	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 88	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 89	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 90	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 91	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 92	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 93	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 94	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 95	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 96	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 97	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 98	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 99	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 100	1	34'	\$16,791	\$1,175.00	\$1,250

Owner	Property	Units	Type	Total Par Debt	Net Annual Debt	Gross Annual
				Allocated	Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 101	1	34'	\$16,791	\$1,175.00	\$1,250
Hanover Tyson, LLC	Trinity Place Phase 1, lot 102	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 103	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 104	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 105	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 106	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 107	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 108	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 109	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 110	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 111	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 112	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 113	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 114	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 115	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 116	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 117	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 118	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 119	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 120	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 121	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 122	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 123	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 124	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 125	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 126	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 127	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 128	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 129	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 130	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 131	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 132	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 133	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 134	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 135	1	50'	\$18,134	\$1,269.00	\$1,350



Owner	Property	Units	Type	Total Par Debt Allocated	Net Annual Debt	Gross Annual
					Assessment Allocation	Debt Assessment Allocation (1)
Hanover Tyson, LLC	Trinity Place Phase 1, lot 171	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 172	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 173	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 174	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 175	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 176	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 177	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 178	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 179	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 180	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 181	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 182	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 183	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 184	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 185	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 186	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 187	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 188	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 189	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 190	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 191	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 192	1	50'	\$18,134	\$1,269.00	\$1,350
Hanover Tyson, LLC	Trinity Place Phase 1, lot 193	1	50'	\$18,134	\$1,269.00	\$1,350
Totals		193		\$3,430,000	\$240,029	\$255,350

(1) This amount includes 6% to cover collection fees and early payment discounts when collected on the County Tax Bill.

Annual Assessment Periods	30
Average Coupon Rate (%)	5.65%
Maximum Annual Debt Service	\$240,029

\* - See Metes and Bounds, attached as Exhibit A

Prepared by: Governmental Management Services - Central Florida, LLC

## LEGAL DESCRIPTION:

PER CHICAGO TITLE INSURANCE COMPANY TITLE COMMITMENT  
FILE No. 20200389, DATED JULY 29, 2020 AT 5:00PM

### PARCEL:

From the Northwest corner of the Southwest 1/4 of  
Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run  
N89°68'40"E, along the North line of said Southwest 1/4, 1740.00 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1048.61 feet to the Point of  
Beginning; continue South, 550.00 feet; run thence N89°38'40"E, 1660.00 feet; run thence  
North, parallel to the West line of said Southwest 1/4, 550.00 feet; run thence  
S89°38'40"W, 1660.00 feet to the Point of Beginning.

### TOGETHER WITH:

From the Northwest corner of the Southwest 1/4 of  
Section 3, Township 26 South, Range 31 East, Osceola County, Florida, run  
N89°38'40"E, along the North line of said Southwest 1/4, 1740.0 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1598.61 feet to the Point of  
Beginning; continue South, 330.0 feet, run thence N89°38'40"E, 660.0 feet; run thence  
South 822.26 feet to a point 25.0 feet off the centerline of Old Kissimmee-Melbourne  
Road; run thence S68°38'10"E, parallel to the centerline of said road, 878.57 feet, run  
thence S71°25'51"E, parallel to said centerline, 255.21 feet; run thence N28°16'35"E along  
the Westerly Right of Way line of State Road 534-A, 1778.4 feet; run thence  
S89°38'40"W, 2563.40 feet to the Point of Beginning, being in  
Sections 3 and 10, Township 26 South, Range 31 East, Osceola County, Florida; LESS  
AND EXCEPT: from the Northwest corner of the Southwest 1/4 of Section 3, run  
N89°38'40"E, along the North line of said Southwest 1/4, 170.0 feet; run thence  
South, parallel to the West line of said Southwest 1/4, 1928.61 feet; run thence  
N89°38'40"E, 660.0 feet to the Point of Beginning; continue N89°38'40"E, 100.0 feet; run  
thence South, 862.0 feet to the North Right of Way line of the Old Kissimmee-Melbourne  
Road; run thence N68°38'10"W, 107.38 feet along said Right of Way; run thence  
North, 822.26 feet to the Point of Beginning.

Total Area is 72.18 AC.



8 BROADWAY AVENUE, SUITE 104, FLORIDA 34741-5481  
PHONE: (407) 847-9433 FAX: (407) 847-2499  
ENG. CERT. OF AUTHOR. No. 3265/SUR. CERT. OF AUTHOR. No. 3270  
ENGINEERING, SURVEYING AND PLANNING

# HWA

**HANSON, WALTER & ASSOCIATES, INC.**

## LAKE LIZZIE CDD

### DISTRICT BOUNDARIES

DATE 11/02/2022 EXHIBIT 2.2 SHEET 2 OF 2

# SECTION V

**Description of Improvements to be Acquired:**

The following improvements constitute the personal and intangible property to be acquired by the CDD as located within **Tracts A, C, E, F, G, H, I, J, N, O, P, Q, R, and S** in the plat (“**Plat**”) known as *Trinity Place – Phase 1*, recorded in Plat Book 33, Page 175, et seq. of the Official Records of Osceola County, Florida:

- (i) All water, electrical conduit, and wastewater facilities from the points of delivery or connection to the point of delivery or connection, including the potable water system, fire protection lines and hydrants, wastewater manholes, sewer lines, publicly owned reclaim mains, electrical and lighting conduit, and related equipment; and
- (ii) All pond/stormwater management facilities, together with master drainage pipes, structures, inlets, manholes, mitered end sections, headwalls, water control structures catch-basins and related stormwater facilities; and
- (iii) All hardscape elements, including but not limited to all fencing and entry monumentation.

The following improvements constitute the personal and intangible property to be acquired by the CDD as located within **the Streets** in the plat (“**Plat**”) known as *Trinity Place – Phase 1*, recorded in Plat Book 33, Page 175, et seq. of the Official Records of Osceola County, Florida:

- (i) All roadway improvements including paving, curb, gutter, storm piping, and sidewalks.

**Acquisition Costs:**

<b>Improvement</b>	<b>Contract / Invoices</b>	<b>Total Contract Costs</b>	<b>Eligible Costs</b>	<b>NTE Acquisition Amount</b>
Stormwater, Potable Water, Reclaimed Water, and Sanitary Sewer, Roadway Improvements	Swell Construction Group	\$12,269,659.38	\$12,156,861.07	\$12,156,861.07
Electrical Conduit	Kissimmee Construction Management (with Hanover Homes)	\$471,530	\$471,530	\$471,530
Landscape, Irrigation & Hardscape	Noble Contracting and Construction (with Hanover Builders)	\$114,100	\$114,100	\$114,100
	<b>Total:</b>	\$12,855,289.38	\$12,742,491.07	<b>\$12,742,491.07</b>



# SECTION VI

# SECTION C

# SECTION 1

***Lake Lizzie***  
***Community Development District***

***Unaudited Financial Reporting***  
***April 30, 2023***



# Table of Contents

1 Balance Sheet

2 General Fund

3 Capital Projects

4 Month to Month

**Lake Lizzie**  
**Community Development District**  
**Combined Balance Sheet**  
**April 30, 2023**

	<i>General Fund</i>	<i>Capital Projects Fund</i>	<i>Totals Governmental Funds</i>
<b>Assets:</b>			
Operating Account	\$ 6,469	\$ -	\$ 6,469
Due from Developer	\$ 2,560	\$ 1,404	\$ 3,964
<b>Total Assets</b>	<b>\$ 9,029</b>	<b>\$ 1,404</b>	<b>\$ 10,433</b>
<b>Liabilities:</b>			
Accounts Payable	\$ 2,498	\$ 1,404	\$ 3,902
Due to Developer	\$ -	\$ 13,221	\$ 13,221
<b>Total Liabilities</b>	<b>\$ 2,498</b>	<b>\$ 14,625</b>	<b>\$ 17,123</b>
<b>Fund Balance:</b>			
Restricted For:			
Capital Projects	\$ -	\$ (13,221)	\$ (13,221)
Unassigned	\$ 6,531	\$ -	\$ 6,531
<b>Total Fund Balances</b>	<b>\$ 6,531</b>	<b>\$ (13,221)</b>	<b>\$ (6,690)</b>
<b>Total Liabilities &amp; Fund Balance</b>	<b>\$ 9,029</b>	<b>\$ 1,404</b>	<b>\$ 10,433</b>

# Lake Lizzie

## Community Development District

### General Fund

#### Statement of Revenues, Expenditures, and Changes in Fund Balance

For The Period Ending April 30, 2023

	Adopted	Prorated Budget	Actual	Variance
	Budget	Thru 04/30/23	Thru 04/30/23	
<b>Revenues:</b>				
Developer Contributions	\$ 114,178	\$ 44,747	\$ 44,747	\$ -
<b>Total Revenues</b>	<b>\$ 114,178</b>	<b>\$ 44,747</b>	<b>\$ 44,747</b>	<b>\$ -</b>
<b>Expenditures:</b>				
<b>General &amp; Administrative:</b>				
Supervisors Fees	\$ 11,000	\$ 5,000	\$ 1,000	\$ 4,000
FICA Expense	\$ 842	\$ 383	\$ 77	\$ 306
Engineering	\$ 13,750	\$ 6,250	\$ -	\$ 6,250
Attorney	\$ 22,917	\$ 10,417	\$ 12,065	\$ (1,648)
Management Fees	\$ 34,375	\$ 15,625	\$ 9,375	\$ 6,250
Information Technology	\$ 1,650	\$ 750	\$ 900	\$ (150)
Website Maintenance	\$ 2,850	\$ 1,295	\$ 2,350	\$ (1,055)
Telephone	\$ 275	\$ 125	\$ -	\$ 125
Postage & Delivery	\$ 917	\$ 417	\$ 31	\$ 385
Insurance	\$ 5,000	\$ 5,000	\$ 3,740	\$ 1,260
Printing	\$ 917	\$ 417	\$ 1	\$ 416
Legal Advertising	\$ 13,750	\$ 6,250	\$ 8,527	\$ (2,277)
Contingency	\$ 4,583	\$ 2,083	\$ -	\$ 2,083
Office Supplies	\$ 573	\$ 260	\$ 0	\$ 260
Travel Per Diem	\$ 605	\$ 275	\$ -	\$ 275
Dues, Licenses & Subscriptions	\$ 175	\$ 175	\$ 150	\$ 25
<b>Total Expenditures</b>	<b>\$ 114,178</b>	<b>\$ 54,722</b>	<b>\$ 38,216</b>	<b>\$ 16,506</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>		<b>\$ 6,531</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>		<b>\$ -</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>		<b>\$ 6,531</b>	

**Lake Lizzie**  
**Community Development District**  
**Capital Projects Fund**  
**Statement of Revenues, Expenditures, and Changes in Fund Balance**  
**For The Period Ending April 30, 2023**

	Adopted Budget	Prorated Budget Thru 04/30/23	Actual Thru 04/30/23	Variance
<b>Revenues:</b>				
Interest	\$ -	\$ -	\$ -	\$ -
<b>Total Revenues</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Expenditures:</b>				
Capital Outlay-COI	\$ -	\$ -	\$ 13,221	\$ (13,221)
<b>Total Expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 13,221</b>	<b>\$ (13,221)</b>
<b>Excess Revenues (Expenditures)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13,221)</b>	
<b>Fund Balance - Beginning</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	
<b>Fund Balance - Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ (13,221)</b>	





# SECTION 2

**Lake Lizzie**  
**Community Development District**

**Funding Request #6**  
**April 27, 2023**

Bill to: Hanover Tyson, LLC

Payee	CAPITAL PROJECTS <sup>(1)</sup> FY2023	General Fund FY2023
<b>1 Kutak Rock LLP</b>		
Invoice # 3209773 - General Counsel		\$ 500.00
Invoice # 3209775 - Bond Validation	\$ 1,404.00	
	\$ 1,404.00	\$ 500.00
<b>Total:</b>		\$ 1,904.00

Please make check payable to:

**Lake Lizzie Community Development District**  
 6200 Lee Vista Blvd, Suite 300  
 Orlando, FL 32822

**KUTAK ROCK LLP**

**TALLAHASSEE, FLORIDA**

Telephone 404-222-4600

Facsimile 404-222-4654

Federal ID 47-0597598

April 24, 2023

**Check Remit To:**

Kutak Rock LLP

PO Box 30057

Omaha, NE 68103-1157

**ACH/Wire Transfer Remit To:**

ABA #104000016

First National Bank of Omaha

Kutak Rock LLP

A/C # 24690470

Reference: Invoice No. 3209773

Client Matter No. 29423-1

Notification Email: [eftgroup@kutakrock.com](mailto:eftgroup@kutakrock.com)

Mr. George Flint

Lake Lizzie CDD

c/o Governmental Management Services-Central Florida, LLC

219 East Livingston Street

Orlando, FL 32801

Invoice No. 3209773

29423-1

Re: General Counsel

For Professional Legal Services Rendered

03/23/23	S. Sandy	0.10	32.00	Prepare for and attend project status call
03/28/23	S. Sandy	0.10	32.00	Review draft minutes
03/29/23	S. Sandy	0.30	96.00	Confer with Bower regarding board meeting agenda; conduct follow-up regarding same
03/29/23	D. Wilbourn	2.00	340.00	Prepare form of engineering services agreement; prepare for board meeting; communications with district manager; prepare form of acquisition agreement

TOTAL HOURS 2.50

TOTAL FOR SERVICES RENDERED \$500.00

TOTAL CURRENT AMOUNT DUE \$500.00

**KUTAK ROCK LLP**

**TALLAHASSEE, FLORIDA**

Telephone 404-222-4600

Facsimile 404-222-4654

Federal ID 47-0597598

April 24, 2023

**Check Remit To:**

Kutak Rock LLP

PO Box 30057

Omaha, NE 68103-1157

**ACH/Wire Transfer Remit To:**

ABA #104000016

First National Bank of Omaha

Kutak Rock LLP

A/C # 24690470

Reference: Invoice No. 3209775

Client Matter No. 29423-4

Notification Email: [eftgroup@kutakrock.com](mailto:eftgroup@kutakrock.com)

Mr. George Flint

Lake Lizzie CDD

c/o Governmental Management Services-Central Florida, LLC

219 East Livingston Street

Orlando, FL 32801

Invoice No. 3209775

29423-4

Re: Validation

For Professional Legal Services Rendered

03/02/23	D. Wilbourn	1.00	170.00	Prepare for validation hearing
03/07/23	S. Sandy	0.20	64.00	Prepare for validation hearing
03/07/23	D. Wilbourn	1.70	289.00	Prepare for hearing; compile hearing notebook; communications with witnesses
03/08/23	S. Sandy	1.20	384.00	Prepare for and attend validation hearing; conduct follow-up regarding same
03/15/23	D. Wilbourn	0.70	119.00	Coordinate payment of court reporting fees; communications with judicial assistant regarding final judgment
03/20/23	S. Sandy	0.20	64.00	Confer regarding status of final judgment
03/21/23	D. Wilbourn	0.20	34.00	Conduct follow-up to validation hearing
TOTAL HOURS		5.20		

**KUTAK ROCK LLP**

Lake Lizzie CDD

April 24, 2023

Client Matter No. 29423-4

Invoice No. 3209775

Page 2

TOTAL FOR SERVICES RENDERED \$1,124.00

DISBURSEMENTS

Miscellaneous	280.00	VENDOR: HUSEBY GLOBAL LITIGATION; INVOICE#: 781297; DATE: 3/14/2023 - Transcript of Hearing Held on March 8, 2023
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TOTAL DISBURSEMENTS 280.00

TOTAL CURRENT AMOUNT DUE \$1,404.00

**Lake Lizzie**  
Community Development District

Funding Request #7  
May 11, 2023

Bill to: Hanover Tyson, LLC

	<b>Payee</b>		<b>General Fund FY2023</b>
<b>1</b>	<b>Governmental Management Services</b> Invoice # 7 - May 2023	\$	1,817.87
<b>2</b>	<b>Rocky Owne</b> Board Meeting - 05/03/2023	\$	215.30
<b>3</b>	<b>Thomas Franklin</b> Board Meeting - 05/03/2023	\$	215.30
		\$	<b>2,248.47</b>
		<b>Total:</b>	<b>\$ 2,248.47</b>

Please make check payable to:

**Lake Lizzie Community Development District**  
6200 Lee Vista Blvd, Suite 300  
Orlando, FL 32822

**GMS-Central Florida, LLC**

1001 Bradford Way  
Kingston, TN 37763

# Invoice

**Invoice #:** 7  
**Invoice Date:** 5/1/23  
**Due Date:** 5/1/23  
**Case:**  
**P.O. Number:**

**Bill To:**

Lake Lizzie CDD  
219 E Livingston St.  
Orlando, FL 32801

Description	Hours/Qty	Rate	Amount
Management Fees - May 2023		1,562.50	1,562.50
Website Administration - May 2023		100.00	100.00
Information Technology - May 2023		150.00	150.00
Office Supplies		0.12	0.12
Postage		2.40	2.40
Copies		2.85	2.85
<b>Total</b>			<b>\$1,817.87</b>
<b>Payments/Credits</b>			<b>\$0.00</b>
<b>Balance Due</b>			<b>\$1,817.87</b>