

Lakewood Ranch Stewardship District

12051 Corporate Blvd, Orlando, Florida 32817; 407.723.5900

www.lakewoodranchstewardship.com

**BOARD OF SUPERVISORS
LAKEWOOD RANCH
STEWARDSHIP DISTRICT**

**Friday, September 25, 2020 9:00 a.m.
Schroeder-Manatee Ranch, Inc.
14400 Covenant Way
Lakewood Ranch, FL 34202**

Due to the COVID-19 Executive Order 20-193 (attached to this agenda) extending Executive Order 20-69, the continued meeting will be conducted by means of communications media technology, such as telephonic conferencing, per the information below:

**Number: 1-844-621-3956
Participant code: 791 375 709#**

CONTINUED BOARD OF SUPERVISORS MEETING AGENDA

Call to Order / Roll Call

- Public Comment Period *[for any members of the public desiring to speak on any proposition before the Board]*

Administrative Matters

1. Consideration of Resolution 2020-41, Re-Designating the Secretary of the District

Business Matters

2. Consideration of Financing Matters Relative to the Lorraine Lakes Project, Series 2020 Bonds
 - A. Presentation of Master Engineer's Report
 - B. Presentation of Supplemental Assessment Methodology Report
 - C. Consideration of Resolution 2020-42, Supplemental Assessment Resolution
 - D. Other Matters *(provided under separate cover)*
3. Consideration of Financing Matters Relative to the Northeast Sector Phase 2B Bonds
 - A. Presentation of Supplemental Assessment Methodology Report
 - B. Consideration of Resolution 2020-43, Delegation Resolution
 - a. Thirty-First Supplemental Trust Indenture
 - b. Bond Purchase Contract
 - c. Preliminary Limited Offering Memorandum
 - d. Continuing Disclosure Agreement
 - C. Other Matters *(provided under separate cover)*
4. Re-consideration of Agreement between the District and Sun State Landscape Management, Inc. for Landscape and Irrigation Maintenance Services (Lorraine Rd. South Extension)

Other Business

5. Staff Reports
 - o Manager's Report



pfm

- Attorney's Report
- Engineer's Report
 - **Specific Authorization No. 120**
Stantec
Revise Bond Issue Report for Northeast Quadrant
 - **Change Order No. 1**
Woodruff & Sons, Inc.
White Eagle Blvd., Phase V
Revised Pricing for grassing & curb items; Structure S-130A ordered and shipped not needed due to overlap of scope / SR-64 project;
Final Reconciliation of Contract
- Audience Comments
- Adjournment

STATE OF FLORIDA

OFFICE OF THE GOVERNOR EXECUTIVE ORDER NUMBER 20-193

(Amending Executive Order 20-179)

WHEREAS, on March 9, 2020, I issued Executive Order 20-52 declaring a state of emergency for the entire State of Florida due to COVID-19; and

WHEREAS, Executive Order 20-69, as amended by Executive Order 20-179, requires amendment to provide local government bodies with additional time to notice their meetings.

NOW, THEREFORE, I, RON DESANTIS, as Governor of Florida, by virtue of the authority vested in me by Article IV, Section (1)(a) of the Florida Constitution, Chapter 252, Florida Statutes, and all other applicable laws, promulgate the following Executive Order to take immediate effect:

Section 1.

Section 3. of Executive Order 20-179 is amended to read, as follows:

Except as amended herein, I hereby extend Executive Order 20-69, as extended by Executive Orders 20-112, 20-123, 20-139 and 20-150, until 12:01 a.m. on October 1, 2020.



IN TESTIMONY WHEREOF, I have hereunto set my hand and caused the Great Seal of the State of Florida to be affixed, at Tallahassee, this 7th day of August, 2020.

A large, blue ink signature of the name "Ron DeSantis" over a horizontal line. Below the signature, the title "RON DESANTIS, GOVERNOR" is printed in capital letters.

DEPARTMENT OF STATE
TALLAHASSEE, FLORIDA

2020 AUG - 7 PM 4:32

FILED

ATTEST:

A large, handwritten signature in black ink that reads "Laurel Lee". Below the signature, the title "SECRETARY OF STATE" is printed in capital letters.

LAKWOOD RANCH STEWARDSHIP DISTRICT

Resolution 2020-41

RESOLUTION 2020-41

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF LAKEWOOD RANCH
STEWARDSHIP DISTRICT RE-DESIGNATING THE SECRETARY OF THE DISTRICT, AND
PROVIDING FOR AN EFFECTIVE DATE**

WHEREAS, Lakewood Ranch Stewardship (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 2005-338, *Laws of Florida*, being situated within Manatee and Sarasota Counties Florida; and

WHEREAS, the Board of Supervisors of the District (“Board”) previously designated Dr. Henry Fishkind as the District’s Secretary; and

WHEREAS, the Board desires to remove Dr. Fishkind and designate Jane Gaarlandt as Secretary beginning October 1, 2020.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF
LAKEWOOD RANCH STEWARDSHIP DISTRICT THAT:**

Section 1. Jane Gaarlandt is hereby designated as District Secretary, which designation shall take effect on October 1, 2020.

Section 2. This Resolution shall become effective immediately upon its adoption.

PASSED AND ADOPTED this 25th day of September, 2020.

ATTEST:

Secretary/Assistant Secretary

**LAKEWOOD RANCH STEWARDSHIP
DISTRICT**

Chairman

LAKWOOD RANCH STEWARDSHIP DISTRICT

**Financing Matters Relative to the
Lorraine Lakes Project,
Series 2020 Bonds**

Lakewood Ranch Stewardship District

Engineer's Report

FOR

Lorraine Lakes

Prepared for:

Lakewood Ranch Stewardship District
14400 Covenant Way
Lakewood Ranch, FL 34240

Prepared by:

Kimley-Horn and Associates, Inc.
1777 Main Street, Suite 200
Sarasota, FL 34236

September 2020

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1.0 INTRODUCTION

1.1 Overview. The Lakewood Ranch Stewardship District (the “District”) is proposing to construct or acquire infrastructure for a residential community within its boundary. The Lorraine Lakes Community (the “Project” or the “Community”), consist of approximately 544.6± contiguous acres within the boundaries of the District. A description of the property is included in Section 1.3 of this report.

The current zoning entitlements allow for a maximum of 1,500 dwelling units. The current overall plan of development for the Project lands within the District provides infrastructure improvements for a planned 1,374 dwelling units. Preservation of existing wetlands and construction of water management lakes and wetland mitigation/creation, where necessary, are planned to offset impacts from the proposed improvements. Streetscape and landscape improvements are also planned to include community entrances with signage, landscaped common areas and fencing which will be privately funded by the Developer, Lennar Homes, LLC (the “Developer”). Roadway improvements will consist of a combination of 4 and 2-lane segments of divided road at Community entrances and 2-lane undivided roadways throughout the various neighborhoods. All onsite roadway improvements will be funded by the Developer. There are no offsite roadway or utility improvements proposed with this Project.

To serve the residents and property owners of the District, the District is developing a Capital Improvement Plan (the “CIP”) to allow it to finance, acquire, or construct public improvement of facilities including: potable water utility lines and facilities, sanitary sewer utility lines and facilities and portions of the drainage and storm water conveyance system which include curb, gutter, and storm water piping. Additionally, these improvements are required by and are consistent with the requirements of Manatee County and other applicable regulatory and jurisdictional entities.

The CIP contained in this report reflects the present intentions of the District. The exact location of some facilities as well as the platting and phasing plans may be changed during the course of approval and implementation. These changes will not diminish or alter the benefits to be received by the land. The District retains the right to make reasonable adjustments in the CIP to meet the requirements of any governmental agency. Regulatory criteria will continue to evolve, and future changes may affect the implementation of the CIP, as it may be changed from time to time. The implementation of any improvement outlined within the CIP requires the final approval of the District's Board of Supervisors. The platting and phasing plans may be revised, amended and modified by the District or Developer.

Costs contained in this report have been prepared based on actual construction costs where available or on estimates of costs using the best available information. It is possible that the estimated costs could vary based on final engineering and ultimate construction bids.

A summary of the CIP improvements qualified to be funded and their cost estimates is included in Table 3.

1.2 Purpose. The purpose of this Report is to describe the Lorraine Lakes Community within the District that will serve the approximately $544.6\pm$ acres and estimated 1,374 dwelling units. This report will also describe the capital improvements and associated costs to be acquired or constructed and financed by the District. The financing and assessment methodology will be developed by the District's financial advisor.

1.3 Description of the Lorraine Lakes Community. The Lorraine Lakes Community is a residential development located in a portion of the Lakewood Ranch Stewardship District located in Manatee County, Florida. Lorraine Lakes is general located at the southwest corner of 44th Avenue East and Uihlein Road. The location map of the Lorraine Lakes Community is shown in Exhibit 1.

The community includes a mixture of residential units, a stormwater management system, wetland preserves, full utility infrastructure, landscaped roadways and recreational facilities. A land use summary table is provided in Table 2.

The Project will encompass approximately $544.6\pm$ acres of the Lorraine Lakes Community. The metes and bounds legal description and boundary survey of the Project is provided in Exhibit 2. The District will construct, acquire or operate and maintain infrastructure as noted to support approximately 1,374 residential units. A summary of District facilities and services provided is shown in Table 3.

The Lorraine Lakes Community is intended to be constructed in multiple phases. The Phase I construction provides the infrastructure for the stormwater management system, utilities, roads, and subdivision improvements needed to develop the 378 lots proposed with this first phase. The Phase I infrastructure is expected to be completed in November 2020 and the plat was recorded in March 2020. The remaining Phase IIA and Future Phases are anticipated to be constructed between 2020 and 2030. Table 3 depicts the estimated infrastructure cost for the entire Project which will be funded by the District.

2.0 PROJECT BOUNDARY AND PROPERTY SERVED

- 2.1 Project Boundary.** Exhibits 1 & 2 illustrates the boundary of the Lorraine Lakes Community. 44th Avenue East is the northern boundary of the Project, while Rangeland Parkway is to the south and Uihlein Road is the eastern boundary. Existing commercial and residential parcels fronting Lorraine Road make the western boundary of the Community.
- 2.2 Land Served.** The Project land is located in portions of Sections 10, 11, 14 and 15, Township 35 South, Range 19 East in Manatee County, Florida. Prior to the commencement of development, the property consists primarily of agricultural lands. The terrain elevations fall east to west with elevations ranging from 40 to 59 feet, based on the North American Vertical Datum of 1988 (NAVD 88).
- 2.1 Existing Infrastructure.** The existing infrastructure in the vicinity of the Project include adjacent rights-of-way consisting of 44th Avenue East, Uihlein Road and Rangeland Parkway. Potable water, forcemain and reuse water are stubbed out to serve this Community.
- 2.3 Permitting.** At the time of this Report, the following permits have been obtained for the CIP as follows:
- Local zoning approval for the entire Project.
 - Southwest Florida Water Management District (SWFWMD) Mass Grading Permit for the entire Project.
 - USCOE authorization for the entire Project.
 - Manatee County Mass Grading for the entire Project.
 - Manatee County, Final Site Plan and Construction Plan approvals for Phase I, and Phase IIA.
 - Manatee County, Final Plat for Phase I
 - SWFWMD Environmental Resource Permit (ERP) for Phase I, and Phase IIA.

All applicable zoning and development related requirements have been compiled for the Development. The table below summarizes the permitting at the time of this report:

Table 1: Summary of Permit Status

Phase	No. of Units	Zoning	ACOE	Manatee County Construction	SWFWMD ERP	Start of Construction	Completion of Construction
I	378	Yes	Yes	Yes	Yes	8/2019	11/2020
IIA	440	Yes	Yes	Yes	Yes	1/2020	1/2021
Future Phase	556	Yes	Yes	No	No	TBD	TBD

It is our opinion that no technical reasons currently exist which would prohibit the implementation of the plan for the Project, subject to continued compliance with continued compliance with all regulatory permits described above.

The Engineer hereby certifies that all permits necessary to complete the Project either have been obtained or in its expert opinion, will be obtained as needed for the entire development.

3.0 PROJECT INFRASTRUCTURE

- 3.1 Summary of Project Facilities and Services.** The District presently intends to acquire, construct or equip certain public infrastructure improvements necessary for the development of the Lorraine Lakes Community within the boundaries of the District. As stated, the CIP represents a system of improvements benefiting all developable property within the Community. The District generally plans to provide the facilities and services shown on Table 3. This report will deal only with the capital cost of providing the indicated infrastructure.
- 3.2 Roadway Improvements.** The Lorraine Lakes development plan contemplates that the development roadways will be private roads and therefore not be funded with District proceeds. All roads are or will be constructed to applicable Manatee County (the "County") standards. Roadway construction will include asphalt, subgrade, base, sidewalks, signage and striping. Where required, roadway lighting will be constructed along the roads within the Project and will be Developer-funded.
- 3.3 Water and Wastewater.** Potable water and wastewater facilities will be provided within the Project and such facilities shall be acquired or constructed by the District. The water and wastewater service, operation, and maintenance will be provided by the County. The County has sufficient capacity to serve the Project's water and wastewater needs at build out. Facilities will be designed and constructed in accordance with County and Florida Department of Environmental Protection standards.

The potable water facilities include distribution mains along with necessary valves, fire hydrants and water services to individual lots. Connections to the existing County system at Uihlein Road, 44th Avenue East and Rangeland Parkway is also included. Approximately 16.4 miles of 2-inch to 10-inch water mains will be constructed.

The wastewater facilities include gravity sewer collection lines with individual services, sanitary sewer lift station and forcemain piping to connect to the existing county system. An estimated 10.2 miles of 8-inch to 12-inch gravity collection lines, 4,000 LF of force main, and 3 sewage lift stations are to be constructed.

- 3.4 Stormwater Management System.** The Stormwater Management System includes the drainage system for the Project and includes the Project's roadway drainage structures, wetland preserves, and stormwater detention facilities. Stormwater ponds with associated curb and gutter, culverts, catch basins, swales, channels and water control structures are proposed. The stormwater management system is designed and constructed in accordance with County and Southwest Florida Water Management District standards for water quality and flood control. On-site wetlands and conservation

areas are incorporated as an integrated part of the stormwater management system. Portions of the stormwater conveyance and drainage system to include the curb and gutters, the stormwater culverts, and stormwater pipes or similar stormwater and drainage facilities and services will be financed by the District.

- 3.5 **Security Facilities.** There are currently no security facilities included in the CIP. Any proposed security facilities will be constructed, operated and maintained by the Developer or Homeowners Association.
- 3.6 **Perimeter Landscaping and Fencing.** There are currently no perimeter landscaping or fencing included in the CIP. Any proposed perimeter landscaping or fencing will be constructed, operated and maintained by the Developer or Homeowners Association.
- 3.7 **Reuse/Irrigation.** There are currently no reuse/irrigation included in the CIP. Any proposed reuse/irrigation will be constructed, operated and maintained by Braden River Utilities, the Developer or Homeowners Association. Braden River Utilities has sufficient capacity to serve the Project's reuse needs at build out.
- 3.8 **Offsite Utility Extensions.** There are currently no additional offsite utility extensions in the CIP.

4.0 OPINION OF PROBABLE CONSTRUCTION COSTS

A summary of the probable construction costs for the District's infrastructure including potable water and sewer facilities, portions of the drainage and stormwater management system and facilities, and improvements is provided in Table 3 and depicts the total estimated costs for the CIP of \$21,907,961. Estimated engineering and permitting costs, as well as a contingency, are included in the total cost. Costs do not include administrative, financing, operation or maintenance.

5.0 SUMMARY AND CONCLUSION

The infrastructure, as outlined above, is necessary for the functional development of the Project as required for an applicable independent unit of local government and will benefit the Community and its residents. The planning and design of the infrastructure, discussed herein, is in accordance with current governmental regulatory requirements and will provide its intended function so long as the construction is in substantial compliance with the design and applicable permits.

It is our professional opinion that the infrastructure costs provided herein for the CIP are reasonable to complete the construction of the infrastructure described herein and that these infrastructure improvements will benefit and add value to the Community. All such infrastructure components of the CIP are public facilities as set forth in Sections 189.012(5) of the Florida Statutes.

The estimate of CIP construction costs is only an engineer's opinion and not a guaranteed maximum price. The estimated costs are based on unit prices currently being experienced for ongoing and similar items of work in Manatee County and quantities as represented on the current construction plans. The labor market, future costs of equipment and materials, and the actual construction process are all beyond our control. Due to the potential for fluctuation in cost, the total final cost may be more or less than the Cost Opinion.

Assuming project construction continues in a timely manner, it is our opinion that the proposed improvements, if constructed and built in substantial accordance with the approved plans and specifications, can be completed and meet their intended functions. Where necessary, historical costs, information from other professional or utility consultants and contractors have been used in preparation of this report. Consultants and contractors who have contributed in providing cost data included in the report are reputable entities in the Manatee County area. It is therefore our opinion that the construction of the proposed Project can be completed at the cost stated.

TABLE 2
LAND USE SUMMARY WITHIN THE PROJECT BOUNDARIES

TYPE OF USE	ACRES	PERCENT OF TOTAL
Lake	94.8	17.4%
Residential	247.7	45.5%
Road Right-of-Way	70.2	12.9%
Wetland/Conservation Areas	22.6	4.1%
Other (Upland, Open Space, etc.) *	109.3	20.1%
TOTAL	544.6	100.0%

* = includes amenity center

TABLE 3

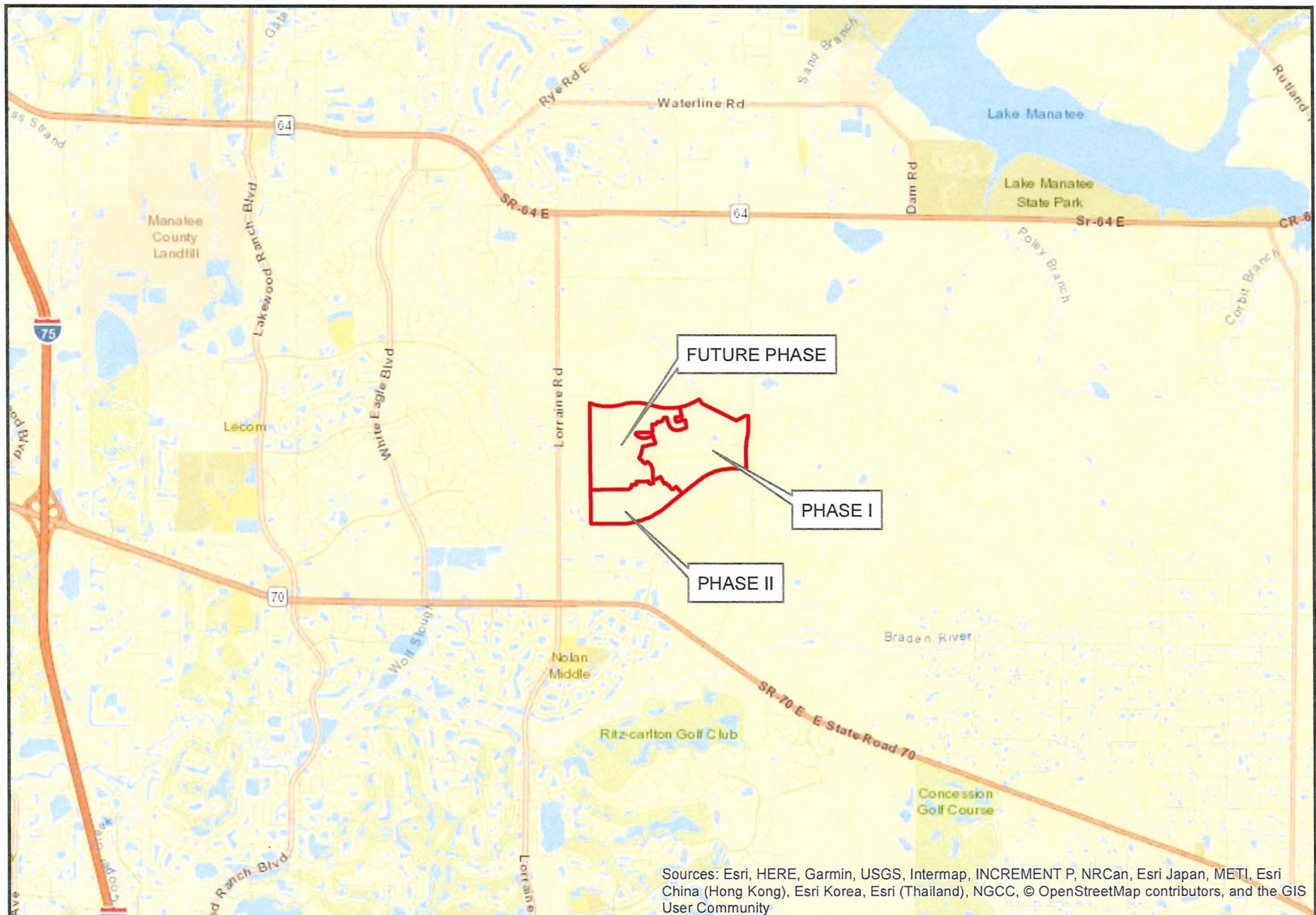
LORRAINE LAKES COMMUNITY CAPITAL IMPROVEMENT PLAN
Summary of Opinion of Probable Costs September 2020
Construction Cost Estimate

Item	Description	Phase I	Phase II	Future Phases	Total
1	Water	\$2,099,373	\$1,066,183	\$1,452,124	\$4,617,680
2	Wastewater	\$1,169,284	\$1,467,564	\$4,969,311	\$7,606,159
3	Drainage	\$2,606,662	\$1,718,567	\$2,176,294	\$6,501,522
4	Professional, Design, and Permitting				\$1,310,000
5	Contingency (~10%) Items 1-3 only				\$1,872,600
TOTAL:					\$21,907,961

Note: The probable costs estimated herein do not include anticipated capital carrying cost, interest reserves or reserves or other applicable District expenditures and other financing costs that may be incurred.

EXHIBITS

LORRAINE LAKES COMMUNITY



Sources: Esri, HERE, Garmin, USGS, Intermap, INCREMENT P, NRCan, Esri Japan, METI, Esri China (Hong Kong), Esri Korea, Esri (Thailand), NGCC, © OpenStreetMap contributors, and the GIS User Community

Location Map

Lorraine Lakes

March 2020

Manatee County

SCALE: 1" = 1 MILE



Kimley»Horn

Exhibit I

Exhibit 2 Legal Description

Please refer to the Legal Description provided on the Boundary Survey.

**SECTIONS 10, 11, 14 and 15, TOWNSHIP 35 SOUTH, RANGE 19 EAST
MANATEE COUNTY, FLORIDA**

LEGAL DESCRIPTION: (PER TITLE CERTIFICATION)

A PARCEL OF LAND LYING IN SECTIONS 10, 11, 14, AND 15, TOWNSHIP 35 SOUTH, RANGE 19 EAST, MANATEE COUNTY, FLORIDA, AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

CONTAINING 544 646 ACRES

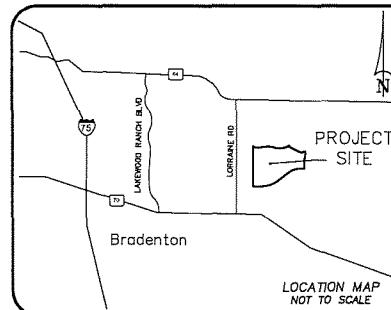
—LEGEND OF STANDARD SYMBOLS AND ABBREVIATIONS

EASEMENTS: (SEE TITLE CERTIFICATION)

- SURVEYOR'S NOTES:**

 1. TYPE OF SURVEY: BOUNDARY SURVEY. ANY USE OF THIS SURVEY FOR PURPOSES OTHER THAN WHICH IT WAS INTENDED, WITHOUT WRITTEN VERIFICATION, WILL BE AT THE USER'S SOLE RISK AND WITHOUT LIABILITY TO THE SURVEYOR. NOTHING HEREIN SHALL BE CONSTRUED TO GIVE ANY RIGHTS OR BENEFITS TO ANYONE OTHER THAN THOSE CERTIFIED TO.
 2. THIS SURVEY WAS PREPARED WITH THE BENEFIT OF A TITLE CERTIFICATION PREPARED BY PAVESE LAW FIRM TITLED "LORRAINE LAKES", DATED 5/1/2019. SEE EASEMENTS AND COMMENTS ON THIS SHEET.
 3. NO INSTRUMENTS OF RECORD REFLECTING EASEMENTS, RIGHTS-OF-WAY, AND/OR OWNERSHIP WERE FURNISHED TO OR PURCHASED BY THE UNDERSIGNED OTHER THAN THOSE SHOWN HEREON. EASEMENTS OR RESTRICTIONS OF RECORD OTHER THAN THOSE SHOWN HEREON MAY EXIST.
 4. NO EXCAVATION WAS PERFORMED TO VERIFY THE LOCATION OR EXISTENCE OF ANY UNDERGROUND IMPROVEMENTS, STRUCTURES, OR FOUNDATIONS. UNDERGROUND UTILITIES SHOWN HEREON ARE SHOWN ABOVE GROUND EVIDENCE AND/OR RECORD DRAWINGS OR MUNICIPAL ATLAS INFORMATION AND THE LOCATION OF ALL UNDERGROUND UTILITY LINES AND FEATURES ARE UNKNOWN. THE UNDERSIGNED IS NOT RESPONSIBLE FOR EXCAVATION, CULTURAL, CLIMATIC DATA, OR WITHOUT FIELD VERIFICATION OF UNDERGROUND UTILITY LOCATIONS; UTILITIES OTHER THAN THOSE SHOWN HEREON MAY EXIST.
 5. THE SURVEY DEPICTED HEREON IS NOT INTENDED TO SHOW THE LOCATION OR EXISTENCE OF ANY WETLAND OR JURISDICTIONAL AREAS, OR AREAS OF PROTECTED SPECIES OF VEGETATION EITHER NATURAL OR CULTIVATED.
 6. UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS DRAWING, SKETCH, PLAT OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.
 7. ADDITIONS OR DELETIONS TO SURVEY MAPS OR REPORTS BY OTHER THAN THE SIGNING PARTY OR PARTIES IS PROHIBITED WITHOUT WRITTEN CONSENT OF THE SIGNING PARTY OR PARTIES.
 8. ADJOINING PROPERTY OWNERS SHOWN HEREON ARE BASED ON INFORMATION OBTAINED FROM THE COUNTY PROPERTY APPRAISER WEB SITE AND IS FOR INFORMATIONAL PURPOSES ONLY.
 9. BEARINGS SHOWN HEREON, WHEN QUALIFIED AS (M) FOR MEASURED, ARE BASED ON THE FLORIDA STATE PLANE COORDINATES SYSTEM AND ARE COMPUTED FROM GLOBAL POSITIONING SYSTEM (GPS) OBSERVATIONS UTILIZING A VIRTUAL REFERENCE STATION AND A REACTIVE SOLUTON. BEARINGS SHOWN HEREON, WHEN QUALIFIED AS (D) FOR DEED, (P) FOR PLAT ARE A MEANS TO REFERENCED THE SURVEYED PARCEL TO THE DEED OR PLAT OF RECORD, MORE SPECIFICALLY THE WEST LINE OF THE SOUTHEAST 1/4 OF SECTION 10, TOWNSHIP 35 SOUTH, RANGE 19 EAST, AS BEING NORTH 0°24'47" WEST.
 10. HORIZONTAL CONTROL POSITIONS WERE DESIGNED BY GLOBAL POSITIONING SYSTEM (GPS) OBSERVATIONS UTILIZING A VIRTUAL REFERENCE STATION AND A REACTIVE SOLUTON AND THE PRODUCT OF REdundant OBSERVATION SESSIONS CONSISTING OF AT LEAST 60 EPOCHS EACH AND INCLUDED MANATEE COUNTY CONTROL STATION "B8C76" NORTH AMERICAN DATUM (NAD) 83(2011). THE MAXIMUM POSITIONAL UNCERTAINTY OF THE PHYSICAL CONTROL POINTS IS COMPUTED TO BE 0.06 FEET USING THE ALGEBRAIC SUM MEAN OF THE PROCESSED POSITIONS.
 11. THIS SURVEY WAS PREPARED WITH THE BENEFIT OF A BOUNDARY SURVEY PREPARED BY GEOPoint SURVEYING, INC., PREPARED FOR LENNAR HOMES, LLC, DATED 4/6/2017, LAST REVISED 12/4/2018.
 12. INTERIOR IMPROVEMENTS, INCLUDING DITCHES, ROADS, BUILDINGS AND OTHER AGRICULTURAL IMPROVEMENTS HAVE NOT BEEN LOCATED. ONLY ITEMS ON OR NEAR THE PROPERTY BOUNDARY ARE SHOWN HEREON.
 13. DISTANCES SHOWN HEREON ARE IN U.S. SURVEY FEET.
 14. LAST DATE OF FIELD SURVEY: 01/18/2019

ARDURRA GROUP, INC.
CERTIFICATE OF AUTHORIZATION NUMBER L6261



SURVEYOR'S NOTES:

I. TYPE OF SURVEY: BOUNDARY SURVEY. ANY USE OF THIS SURVEY FOR PURPOSES OTHER THAN WHICH IT WAS INTENDED, WITHOUT WRITTEN VERIFICATION, WILL BE AT THE USER'S SOLE RISK AND WITHOUT LIABILITY TO THIS SURVEYOR. NOTHING HEREIN SHALL BE CONSTRUED TO GIVE ANY RIGHTS OR BENEFITS TO ANYONE OTHER THAN THOSE CERTIFIED TO.

2. THIS SURVEY WAS PREPARED WITH THE BENEFIT OF A TITLE CERTIFICATION PREPARED BY PAVEY LAW FIRM TITLED "LORRAINE LAKES", DATED DECEMBER 5, 2019. SEE EASEMENTS AND COMMENTS ON THIS SHEET.

3. NO INSTRUMENTS OF RECORD REFLECTING EASEMENTS, RIGHTS-OF-WAY, AND/OR OWNERSHIP WERE FURNISHED TO OR PURSUED BY THE UNDERSIGNED OTHER THAN THOSE SHOWN HEREON. EASEMENTS OR RESTRICTIONS OF RECORD OTHER THAN THOSE SHOWN HEREON MAY EXIST.

4. NO EXCAVATION WAS PERFORMED TO VERIFY THE LOCATION OR EXISTENCE OF ANY UNDERGROUND IMPROVEMENTS, STRUCTURES, OR FOUNDATIONS. UNDERGROUND UTILITIES SHOWN HEREON ARE SHOWN PER ABOVE GROUND EVIDENCE AND/OR RECORD DRAWINGS OR MUNICIPAL ATLAS INFORMATION AND THE LOCATION OF ALL UNDERGROUND UTILITY LINES ARE APPROXIMATE ONLY. THIS DOCUMENT SHOULD NOT BE RELIED UPON FOR EXCAVATION OR CRITICAL DESIGN FUNCTIONS WITHOUT FIELD VERIFICATION OF UNDERGROUND UTILITY LOCATIONS. UTILITIES OTHER THAN THOSE SHOWN HEREON MAY

5. THE SURVEY DEPICTED HEREON IS NOT INTENDED TO SHOW THE LOCATION OR EXISTENCE OF ANY WETLAND OR HABITATIONAL AREA, OR AREAS OF PROTECTED SOILS, OR VEGETATION, SUCH AS NATURAL OR CULTIVATED.

JURISDICTIONAL AREAS, OR AREAS OF PROTECTED SPECIES OF VEGETATION EITHER NATURAL OR CULTIVATED.
6. UNLESS IT BEARS THE SIGNATURE AND THE ORIGINAL SEAL OF A FLORIDA LICENSED SURVEYOR AND MAPPER THIS DRAWING, SKETCH, PLAT OR MAP IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT VALID.
7. ATTESTATION OF DEPARTMENT TO SUBMIT THIS OR REPORTS OR STATEMENTS THAN THE FISHING PARTY OR PARTIES N

8. ADJOINING PROPERTY OWNERS SHOWN HEREON ARE BASED ON INFORMATION OBTAINED FROM THE COUNTY PROPERTY TAX ROLL AND ARE FOR INFORMATION ONLY. NO WARRANTY IS MADE AS TO THE ACCURACY OF THIS INFORMATION.

3. ASSESSING PROPERTY VALUES AT MARKET VALUE OF THE INFORMATION CONTAINED HEREIN IS FOR INFORMATIONAL PURPOSES ONLY.

9. BEARINGS SHOWN HEREON, WHEN QUALIFIED AS (M) FOR MEASURED ARE BASED ON THE FLORIDA STATE PLANE COORDINATE SYSTEM (WEST ZONE), NAD 83 (2011) AND WERE DERIVED BY REDUNDANT GLOBAL POSITIONING SYSTEM (GPS) OBSERVATIONS UTILIZING A MULTIDIMENSIONAL LEAST-SQUARES GEODETIC (MLLS) SOLUTION. BEARINGS SHOWING

HEREON, AND QUALIFIED AS (D) FOR DEED, (P) FOR PLAT ARE A MEANS TO REFERENCE THE SURVEYED PARCEL TO THE DEED OR PLAT OF RECORD, MORE SPECIFICALLY THE WEST LINE OF THE SOUTHEAST 1/4 OF SECTION 10, TOWNSHIP 35 SOUTH, RANGE 19 EAST, AS BEING NORTH 00°24'47" WEST.

10. HORIZONTAL CONTROL POSITIONS WERE DERIVED BY GLOBAL POSITIONING SYSTEM (GPS) OBSERVATIONS UTILIZING VIRTUAL REFERENCE STATION (VRS) TIME DOMAIN SOLUTIONS AND THE PRODUCT OF REDUNDANT OBSERVATION SESSIONS CONSISTING OF AT LEAST 60 EPOCHS EACH AND INCLUDED MANATEE COUNTY CONTROL STATION "BBCP06" NORTH AMERICAN DATUM (NAD) 83(2013). THE MAXIMUM POSITIONAL UNCERTAINTY OF THE PHYSICAL CONTROL POINTS IS COMPUTED TO BE 0.6 FEET USING THE ALGEBRAIC SUM MEAN OF THE PROCESSED POSITIONS.

11. THIS SURVEY WAS PREPARED WITH THE BENEFIT OF A BOUNDARY SURVEY PREPARED BY GEOPoint SURVEYING, INC.

12. INTERIOR IMPROVEMENTS, INCLUDING DITCHES, ROADS, BUILDINGS AND OTHER AGRICULTURAL IMPROVEMENTS HAVE BEEN PREPARED FOR LENNAR HOMES, LLC, DATED 4/6/2017, LAST REVISED 12/4/2018.

NOT BEEN LOCATED. ONLY ITEMS ON OR NEAR THE PROPERTY BOUNDARY ARE SHOWN HEREON.

13. DISTANCES SHOWN HEREON ARE IN U.S. SURVEY FEET.

14. LAST DATE OF FIELD SURVEY: 01/18/2019

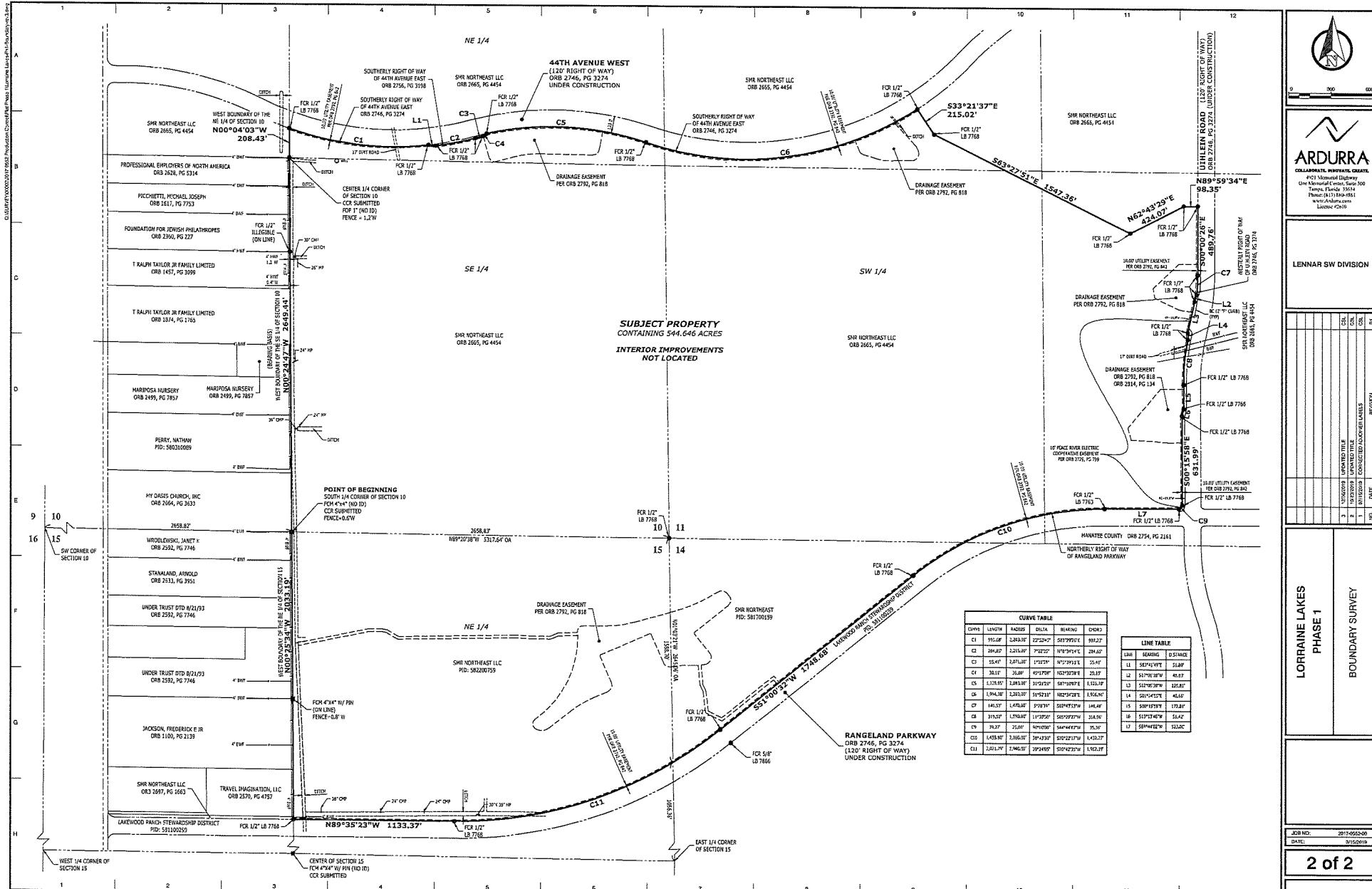
ARDURRA GROUP, INC.
CERTIFICATE OF AUTHORIZATION NUMBER L8261

N

LENNAR SW DIVISION

LORRAINE LAKES
PHASE 1

1 of 2





SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT LAKEWOOD RANCH STEWARDSHIP DISTRICT NORTHEAST SECTOR LORRAINE LAKES PROJECT AREA

LAKEWOOD RANCH STEWARDSHIP DISTRICT

September 2020

Prepared for:

Members of the Board of Supervisors,
Lakewood Ranch Stewardship District

Prepared on September 18, 2020

PFM Financial Advisors LLC
12051 Corporate Boulevard
Orlando, FL 32817



**SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT
LAKEWOOD RANCH STEWARDSHIP DISTRICT
NORTHEAST SECTOR LORRAINE LAKES PROJECT AREA**

September 18, 2020

1.0 Introduction

1.1 Purpose

This Supplemental Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector Lorraine Lakes Project Area ("Supplemental Methodology") provides a system for the allocation of non-ad valorem special assessments securing the repayment of the planned Series 2020 Special Assessment Revenue Bonds to be issued by the Lakewood Ranch Stewardship District ("District") to fund beneficial public infrastructure improvements and facilities within the Lorraine Lakes Project Area ("Lorraine Lakes" and/or the "Development") located in the Northeast Sector and within the District. This Supplemental Methodology operates pursuant to the methodology outlined in the Master Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector Lorraine Lakes Project Area, dated June 1, 2020 ("Master Methodology"). The Supplemental Methodology described herein has two goals: (1) quantifying the special benefits received by properties within the Lorraine Lakes as a result of the construction of the District's improvements and facilities, and (2) equitably allocating the costs incurred by the District to provide these benefits to properties in Lorraine Lakes.

The District plans to implement a capital improvement program (the "Lorraine Lakes CIP") that will allow for the development of property within Lorraine Lakes. The District plans to fund a portion of its Lorraine Lakes CIP through bond debt financing. This bond debt will be repaid from the proceeds of non-ad valorem special assessments levied by the District. These special assessments will serve as liens against properties within the boundary of the Development that receive a special benefit from the Lorraine Lakes CIP. This Supplemental Methodology is designed to conform to the requirements of Chapters 170, 197 of the Florida Statutes and Chapter 2005-338, Laws of Florida, as amended with respect to special assessments and is consistent with our understanding of the case law on this subject.

1.2 Background

The Lakewood Ranch Stewardship District ("District") was created on June 17, 2005. The District encompasses approximately 25,605 acres in Manatee and Sarasota Counties. Lorraine Lakes comprises +/- 545 acres located in the Northeast Sector, which contains +/- 3,853 gross acres. The District Engineer's report of September 2020 ("Engineer's Report")¹ provides a description of the Development.

¹ Kimley-Horn and Associates, Inc. (September 2020), "District Engineer's Report Lorraine Lakes Lakewood Ranch"



This Supplemental Methodology provides a methodology to allocate the debt over the approximately 545 acres in Lorraine Lakes that will receive a special benefit from the installation of the District's portion of the proposed Lorraine Lakes CIP. It is the District's debt-funded capital infrastructure improvements that will allow the development of the lands in Lorraine Lakes. By making development of the lands within Lorraine Lakes possible, the District creates benefits to these lands within the District. The methodology described herein allocates the District's debt to the Development based upon the benefits received from the infrastructure program.

1.3 Projected Land Use Plan for Lorraine Lakes

Table 1 summarizes the land use development plan with respect to acreage. As detailed in the Engineer's Report, the maximum number of units permitted per the current development plan is 1,500 units. As further detailed, the current plan envisions the development of 1,374 residential units that will be developed by Lennar Homes, LLC (the "Developer").

Table 1. Development Plan for Lorraine Lakes (Acreage)

Land Use	Acres
Lake	94.8
Residential	247.7
Road Right-of-Way	70.2
Wetland/Conservation Areas	22.6
Other (Upland, Open Space, etc.)*	109.3
<hr/>	
Total	544.6

Source: District Engineer's Report

*Acreage is approximate and subject to change

At the outset, the Lorraine Lakes CIP is based on the land uses the Developer plans for the lands within Development as shown in Table 1. Lorraine Lakes is planned for 1,374 residential units varying in lots sizes from townhomes to 75-foot single family lots; and the associated infrastructure detailed in the Lorraine Lakes CIP. Table 2, as provided by the Developer and in the Engineer's Report, details an initial mix of residential product and phasing planned for the Development. However, until either: (a) parcels of land along with their development entitlements are sold by the Developer to a new landowner and entitlements conveyed or (b) plats are filed, the precise land uses are unknown.



Table 2. Development Plan for Lorraine Lakes

Land Use	Phase I	Phase IIA	Future Phases	Total
Townhomes	0	224	0	224
Villas	98	154	0	252
Executive Home - 50' Lot	108	62	279	449
Manor Home - 60' Lot	90	0	236	326
Estate Home - 75' Lot	<u>82</u>	<u>0</u>	<u>41</u>	<u>123</u>
TOTAL	378	440	556	1,374

Source: Developer and District Engineer's Report

Therefore, the District initially will impose assessments ("Assessments") on a per gross acre basis on the unsold and unplatted properties within Lorraine Lakes based on the land use plan outlined in Table 2 (or in any updates issued from time to time), and on any sold or platted property in accordance with its actual land use or contractual entitlement as transferred to the new landowner from the Developer.

There is one important proviso. The debt per acre on the properties that remain unplatte in Lorraine Lakes is not allowed to increase above its Ceiling Amount. The Ceiling Amount is set whenever the District issues debt. It is calculated by dividing the unplatte acres of the properties in Lorraine Lakes into the debt allocated to the unplatte properties. In addition, this requirement will be tested at four intervals based upon the percentage of total acres that are developed. The intervals are at 25%, 50%, 75% and 100% of the gross acres.

1.4 Lorraine Lakes CIP - Infrastructure Installation

The District will acquire or construct its public infrastructure and improvements as outlined in the Engineer's Report. The District infrastructure and improvements for the Lorraine Lakes CIP are presented in Table 3.

**Table 3: District Engineer's Estimated Costs for
The District's Capital Improvement Program for Lorraine Lakes**

Category	Phase I	Phase II	Future Phases	Total
Water	\$2,099,373	\$1,066,183	\$1,452,124	\$4,617,680
Wastewater	\$1,169,284	\$1,467,564	\$4,969,311	\$7,606,159
Drainage	\$2,606,662	\$1,718,567	\$2,176,294	\$6,501,522
Professional, Design, and Permitting	\$0	\$0	\$0	\$1,310,000
Contingency	\$0	\$0	\$0	\$1,872,600
	=====	=====	=====	=====
Total	\$5,875,319	\$4,252,314	\$8,597,729	\$21,907,961

Source: District Engineer's Report

(1) Any costs outlined in the Engineer's Report not funded with bond proceeds will be funded by the Developer via Developer's Completion Agreement with the District.



1.5 Requirements of a Valid Assessment Methodology

In PFM Financial Advisors LLC, the Assessment Consultant's ("PFM FA" and/or "AC") experience, there are two primary requirements for special assessments to be valid under Florida law. First, the properties assessed must receive a special benefit from the improvements paid for via the assessments. Second, the assessments must be fairly and reasonably allocated to the properties being assessed. If these two characteristics of valid special assessments are adhered to, Florida law provides some latitude to legislative bodies, such as the District's Board of Supervisors, in approving special assessments. Indeed, Florida courts have found that the mathematical perfection of calculating special benefit is impossible, and, accordingly, a special assessment is valid as long as there is a logical relationship between the services provided and the benefit to real property. A court must give deference to the District's determinations regarding the levy of special assessments, and such special assessments are only invalid if the District's determinations are found to be arbitrary.

1.6 Special Benefits and General Benefits

Improvements undertaken by Lorraine Lakes create both special benefits and general benefits to property owners located within and surrounding Lorraine Lakes. However, in PFM FA's opinion, the general benefits to the public at large are incidental in nature and are readily distinguishable from the special benefits which accrue to property located within Lorraine Lakes. It is the Lorraine Lakes CIP that enables properties within the Development's boundaries to be developed. Without the Lorraine Lakes CIP there would be no infrastructure to support development of land within Lorraine Lakes. Without these improvements, development of property in Lorraine Lakes would not be permitted.

The new infrastructure improvements included in the Lorraine Lakes CIP create both: (1) special benefits to the developable property within Lorraine Lakes and (2) general benefits to properties outside Lorraine Lakes. However, as discussed below, these general benefits are incidental in nature and are readily distinguishable from the special benefits which accrue to the developable property within Lorraine Lakes. The Lorraine Lakes CIP described in the District Engineer's Report enables the developable property within Lorraine Lakes to be developed. Without the Lorraine Lakes CIP, there would be no infrastructure to support development of the developable property within Lorraine Lakes.

2.0 Series 2020 Bonds Plan of Finance

The District's Series 2020 Bonds will have an estimated total par value of \$10,655,000. Table 4 presents the details for the Series 2020 Bonds.



Table 4. Details of the Series 2020 Bonds

Sources:	Amount
Bond Proceeds:	
Par Amount	\$10,655,000
Original Issue Discount	<u>-\$27,939</u>
Total	\$10,627,061
Uses:	
Project Fund Deposits:	
Project Fund	\$9,536,045
Other Fund Deposits:	
Debt Service Reserve Fund	\$296,811
Capitalized Interest	\$417,555
Delivery Date Expenses:	
Cost of Issuance	\$163,550
Underwriter's Discount	<u>\$213,100</u>
Total	\$10,627,061
Rate (average coupon)	3.76%
Term	30
Capitalized Interest (months)	13
Maximum Net Annual Debt Service:	<u>\$593,622</u>

Source: MBS Capital Markets LLC

3.0 Assessment Methodology

3.1 Assessment Foundation

The assessment methodology associated with the allocation of the costs of the Lorraine Lakes CIP is a four-step process. First, the District Engineer determines the costs for the District's infrastructure and related improvements. Second, an estimate of the amount of bonds required to finance the infrastructure improvements is calculated. Third, the District Engineer outlines which parcels benefit from the provision of the infrastructure and improvements. Finally, the as-financed costs of the infrastructure and related improvements are allocated to the benefiting properties based on the approximate relative benefit each unit receives.



3.2 Allocation of Specific Assessments

The Lorraine Lakes CIP cost estimates are outlined in Table 3 and described in detail in the Engineer's Report. The details of the Series 2020 Bonds issuance required to fund the District's Lorraine Lakes CIP is shown in Table 4. The principal and related assessments to secure the Series 2020 Bonds will be allocated among the 1,374 lots planned for Lorraine Lakes within the District. The District's bond debt will be secured primarily by special assessments allocated to properties in the District based on and proportional to the benefits that each property receives from the Lorraine Lakes CIP. As described above, until such time as either: (a) properties are sold along with their entitlements or (b) plats are recorded; the specific land uses in the District are not known with certainty. Therefore, at the outset, the debt is allocated on an equal acreage basis across all benefited acres in the Development totaling approximately 545 acres. As the sale and platting process unfolds, the District will more finely articulate the allocation of debt to benefiting properties based on their land uses.

As noted above, as long as two basic principles are adhered to, Florida law generally allows the District Board some latitude in determining the appropriate methodology to allocate the costs of its Lorraine Lakes CIP to benefiting properties in the District. The two principles are: (1) the properties being assessed must receive a special benefit from the Lorraine Lakes CIP and (2) the assessments allocated to each property must be fairly and reasonably apportioned among the benefiting properties. In allocating special assessments to benefiting property, Florida governments have used a variety of methods including, but not limited to, front footage, area, trip rates, equivalent residential units ("ERU"), dwelling units, and acreage. These ERU values equate the benefit received by a stated amount of such particular land use category to the benefit received by a typical single-family residence. The use of ERU values to estimate the benefit derived from infrastructure improvements is recognized as a simple, fair, and reasonable method for apportioning benefit. The Florida Supreme Court concluded that the ERU method was a valid methodology in its decision in Winter Springs v. State.² In addition, the ERU methodology is widely used in other similar CDDs.

Table 5 and Table 6 contain the allocation of the District's Lorraine Lakes CIP costs, as financed, to the Development Units planned for the District. Table 7 shows the annual bond debt service assessments associated with the bond par allocations found in Table 5. Table 7 becomes important as the land within the District is platted, as specific bond debt service assessments will be assigned to the individual Development Units at that time. As described further herein under Section 4.0, while all lands within the Development benefit from the Lorraine Lakes CIP, the Developer will contribute infrastructure included in the Lorraine Lakes CIP in order to establish target levels of debt to be assigned by product type within the Development.

² City of Winter Springs v. State, 776 So.2d 255 (Fla 2003)



Table 5. Allocation of the Costs of the District's Lorraine Lakes CIP, as Financed

<u>Land Use</u>	<u>Units</u>	<u>Total Par Debt</u>	<u>Par Debt/Unit</u>
Townhomes	224	\$0	\$0
Villas	252	\$567,871	\$2,253
Executive Home - 50' Lot	449	\$3,747,411	\$8,346
Manor Home - 60' Lot	326	\$4,081,256	\$12,519
Estate Home - 75' Lot	123	<u>\$2,258,462</u>	\$16,361
TOTAL	1,374	\$10,655,000	

Source: PFM Financial Advisors LLC

Table 6. Allocation of Annual Debt Service, as Financed

<u>Land Use</u>	<u>Units</u>	<u>Net Annual Assessments</u>	<u>Net Annual Assessments per Unit</u>	<u>Gross Annual Assessments (1)</u>	<u>Gross Annual Assessments per Unit (1)</u>
Townhomes	224	\$0	\$0	\$0	\$0
Villas	252	\$31,638	\$126	\$34,019	\$135
Executive Home - 50' Lot	449	\$208,779	\$465	\$224,494	\$500
Manor Home - 60' Lot	326	\$227,379	\$698	\$244,494	\$750
Estate Home - 75' Lot	123	<u>\$125,826</u>	\$1,023	<u>\$135,296</u>	\$1,100
TOTAL	1,374	\$593,622		\$638,303	

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.

Table 7. Summary of Annual Assessments

<u>Land Use</u>	<u>Debt/Unit</u>	<u>Net Debt Service</u>	<u>Administrative Expenses</u>	<u>Total Debt Service (1)</u>
Townhomes	\$0	\$0	\$0	\$0
Villas	\$2,253	\$126	\$9	\$135
Executive Home - 50' Lot	\$8,346	\$465	\$35	\$500
Manor Home - 60' Lot	\$12,519	\$697	\$52	\$750
Estate Home - 75' Lot	\$18,361	\$1,023	\$77	\$1,100

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.



3.3 True-Up Mechanism

Although the District does not process plats, it does have an important role to play during the course of development. Whenever a parcel's land use and development density and intensity is determined with sufficient certainty, the District must allocate a portion of its debt to the parcel according to the procedures outlined in Section 3.2 above. In addition, the District must also prevent any buildup of debt on land that has not yet been developed. Otherwise, the land could be fully subdivided without all of the debt being allocated.

To preclude this, a test is conducted when development thresholds are reached within the District. As long as the development at these thresholds does not cause the debt on the remaining land to increase above a debt "Ceiling Level" illustrated in Table 8 below, then no further action is necessary. However, if the debt on the remaining land does increase, a debt reduction payment will be necessary.

The ceiling level of debt is established at the time each series of bonds is issued. According to the Engineer's Report, there are approximately 544.6 gross acres of land within the District. Each of these acres will be assigned an equal assessment of the \$10,655,000 in remaining unassigned bond debt assessments. Therefore, the ceiling level of debt for developable and assessable properties is \$19,565 per acre ($\$10,655,000 / 544.6$). This ceiling level is based upon the best information available at the time of this report, is subject to change, and will only be finalized at the time of the District's first bond issuance.

A test will be conducted when 25%, 50%, 75%, and 100% of the acreage within the District has been developed. Table 8 below illustrates when the true-up test will be applied to determine if debt reduction payments are required. However, a true-up payment may be suspended at the District's discretion. If the property owner can demonstrate to the District, and the District finds in its discretion (consistent with the opinion of the District Engineer), that all necessary land use approvals, including applicable zoning, can reasonably and economically support development totaling greater than or equal to 1,374 units for the District on the remaining unplatted developable acreage within the remaining acres, a true-up payment may be suspended.

Table 8. True- Up Thresholds

<u>Category</u>	<u>25%</u>	<u>50%</u>	<u>75%</u>	<u>100%</u>
Platted Developable Acres	136.15	272.30	408.45	544.60
Unplatted Developable Acres	408.45	272.30	136.15	-
Debt Ceiling per Acre	\$19,565	\$19,565	\$19,565	\$19,565

Source: PFM Financial Advisors LLC

In the event that additional land not currently subject to the assessments required to repay the debt associated with the Lorraine Lakes CIP is developed in such a manner as to receive special benefit from the Lorraine Lakes CIP, it is contemplated that this Supplemental Methodology will be re-applied to include such new parcels. The additional land, as a result of applying this Supplemental Methodology, will be allocated an appropriate share of the special assessments, with all previously-assessed parcels receiving a relative adjustment in their assessment levels.



4.0 Contribution of District Infrastructure and/or Improvements

The costs of the District's Lorraine Lakes CIP will be funded by two mechanisms. The first mechanism is the issuance of special assessment bonds. The second mechanism is the contribution of funds or Lorraine Lakes CIP components to the District ("Contribution"). Consistent with the Master Methodology, the Developer anticipates contributing a portion of the Lorraine Lakes CIP to the District in order to establish target levels of debt to be assigned by product type within the Development in the form of contributing funds and or properties/products. Table 9 summarizes the Contribution associated with the Lorraine Lakes lots within the District.

Table 9. Contribution Summary – Lorraine Lakes

Category	Lots	Master Lien per Unit	Proposed Series 2020 Par per Unit	Contribution per Unit	Total Landowner Contribution
Townhomes	224	\$13,627	\$0	\$13,627	\$3,052,383
Villas	252	\$17,520	\$2,253	\$15,267	\$3,847,184
Executive Home (50' Lot)	449	\$19,467	\$8,346	\$11,121	\$4,993,151
Manor Home (60' Lot)	326	\$23,360	\$12,519	\$10,841	\$3,534,129
Estate Home (75' Lot)	<u>123</u>	\$29,200	\$18,361	\$10,839	<u>\$1,333,150</u>
Total	1,374				\$16,759,998

Source: PFM Financial Advisors LLC

5.0 Assessment Roll

Table 10 outlines the maximum bond principal assessment per assessable acre for the lands within Lorraine Lakes. The assessments shall be paid in not more than thirty (30) annual installments.

Table 10. Assessment Roll

Parcel ID Numbers	Assessable Acreage	Bond Principal Assessment	Bond Principal Assessment per Acre	Net Total Bond Annual Assessment	Net Annual Assessment per Acre	Bond Gross Annual Assessment (1)	Bond Gross Annual Assessment per Acre (1)
580900409	544.60	\$10,655,000	\$19,565	\$593,622	\$1,090	\$638,303	\$1,172

Source: PFM Financial Advisors LLC

(1) Gross assessments represent the assessment placed on the County tax roll each year, if the District elects to use the Uniform Method of collecting non-ad valorem assessments authorized by Chapter 197 of the Florida Statutes. Gross assessments include a 7.0% gross-up to account for the fees of the County Property Appraiser and Tax Collector and the statutory early payment discount.

LAKWOOD RANCH STEWARDSHIP DISTRICT

Resolution 2020-42

RESOLUTION 2020-42

A RESOLUTION SETTING FORTH THE SPECIFIC TERMS OF THE LAKEWOOD RANCH STEWARDSHIP DISTRICT'S SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2020 (LORRAINE LAKES PROJECT); CONFIRMING THE DISTRICT'S PROVISION OF INFRASTRUCTURE IMPROVEMENTS AND ADOPTING AN ENGINEER'S REPORT; CONFIRMING AND ADOPTING A SUPPLEMENTAL ASSESSMENT REPORT; CONFIRMING, ALLOCATING AND AUTHORIZING THE COLLECTION OF SPECIAL ASSESSMENTS SECURING SERIES 2020 BONDS; PROVIDING FOR THE APPLICATION OF TRUE-UP PAYMENTS; PROVIDING FOR THE SUPPLEMENT TO THE IMPROVEMENT LIEN BOOK; PROVIDING FOR THE RECORDING OF A NOTICE OF SERIES 2020 SPECIAL ASSESSMENTS; PROVIDING FOR CONFLICTS, SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Lakewood Ranch Stewardship District ("District") has previously indicated its intention to undertake, install, establish, construct or acquire certain public infrastructure improvements and to finance such public infrastructure improvements through the imposition of special assessments on benefitted property within the District and the issuance of bonds; and

WHEREAS, the District's Board of Supervisors ("Board") has previously adopted, after notice and public hearing, Resolution 2020-30 relating to the imposition, levy, collection and enforcement of such special assessments; and

WHEREAS, pursuant to and consistent with the terms of Resolution 2020-30, this Resolution shall set forth the terms of bonds actually issued by the District, and apply the adopted special assessment methodology to the actual scope of the project to be completed with a series of bonds and the terms of the bond issue; and

WHEREAS, on September 18, 2020, the District entered into a Bond Purchase Contract whereby it agreed to sell its \$10,655,000 Special Assessment Revenue Bonds, Series 2020 (Lorraine Lakes Project) (the "Series 2020 Bonds"); and

WHEREAS, pursuant to and consistent with Resolution 2020-30, the District desires to set forth the particular terms of the sale of the Series 2020 Bonds and confirm the lien of the special assessments securing the Series 2020 Bonds (the "Series 2020 Assessments").

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD
OF SUPERVISORS OF THE LAKWOOD RANCH
STEWARDSHIP DISTRICT AS FOLLOWS:**

SECTION 1. AUTHORITY FOR THIS RESOLUTION. This Resolution is adopted pursuant to the provisions of Florida law, including Chapters 170 and 197, Florida Statutes, and Resolution 2020-30.

SECTION 2. FINDINGS. The Board of Supervisors of the Lakewood Ranch Stewardship District hereby finds and determines as follows:

(a) On July 10, 2020, the District, after due notice and public hearing, adopted Resolution 2020-30, which, among other things, equalized, approved, confirmed and levied special assessments on property benefitting from the infrastructure improvements authorized by the District. That Resolution provided that as each series of bonds was issued to fund all or any portion of the District's infrastructure improvements, a supplemental resolution would be adopted to set forth the specific terms of the bonds and certifying the amount of the lien of the special assessments securing any portion of the bonds, including interest, costs of issuance, the number of payments due, the True-Up amounts and the application of receipt of True-Up proceeds.

(b) The *Engineer's Report for Lorraine Lakes*, dated September 2020, attached to this Resolution as **Exhibit A** (the "Engineer's Report"), identifies and describes the presently expected components of the improvements to be financed with the Series 2020 Bonds (the "Improvements"). The District hereby confirms that the Improvements serve a proper, essential and valid public purpose. The Engineer's Report is hereby confirmed. The District ratifies its use in connection with the sale of the Series 2020 Bonds.

(c) The *Supplemental Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector Lorraine Lakes Project Area*, dated September 18, 2020, attached to this Resolution as **Exhibit B** (the "Supplemental Assessment Report"), applies the *Master Assessment Methodology Report for Lakewood Ranch Stewardship District Northeast Sector Lorraine Lakes Project Area* dated June 1, 2020 (the "Master Assessment Methodology") to the actual terms of the Series 2020 Bonds. The Supplemental Assessment Report is hereby approved, adopted and confirmed. The District ratifies its use in connection with the sale of the Series 2020 Bonds.

(d) The Improvements will specially benefit all of the developable acreage within the areas comprising the Lorraine Lakes Project within the District, as set forth in the Supplemental Assessment Report. It is reasonable, proper, just and right to assess the portion of the costs of the Improvements financed with the Series 2020 Bonds to the specially benefited properties within the District as set forth in Resolution 2020-30 and this Resolution.

SECTION 3. CONFIRMATION OF MAXIMUM ASSESSMENT LIEN FOR SERIES 2020 BONDS. As provided in Resolution 2020-30, this Resolution is intended to set

forth the terms of the Series 2020 Bonds and the final amount of the lien of the special assessments securing those bonds.

The Series 2020 Bonds, in a par amount of \$10,655,000 shall bear such rates of interest and maturity as shown on **Exhibit C** attached hereto. The final payment on the Series 2020 Bonds shall be due on May 1, 2051. The sources and uses of funds of the Series 2020 Bonds shall be as set forth in **Exhibit D**. The debt service due on the Series 2020 Bonds is set forth on **Exhibit E** attached hereto. The lien of the special assessments securing the Series 2020 Bonds on all developable land within the areas comprising the Lorraine Lakes Project within the District shall be the principal amount due on the Series 2020 Bonds, together with accrued but unpaid interest thereon, and together with the amount by which annual assessments are grossed up to include early payment discounts required by law and costs of collection.

SECTION 4. ALLOCATION OF ASSESSMENTS SECURING SERIES 2020 BONDS.

(a) The special assessments for the Series 2020 Bonds shall be allocated in accordance with **Exhibit B** which allocation shall initially be on a per acre basis and further allocated as lands are platted. The Supplemental Assessment Report is consistent with the District's Master Assessment Methodology. The Supplemental Assessment Report, considered herein, reflects the actual terms of the issuance of the District's Series 2020 Bonds. The estimated costs of collection of the special assessments for the Series 2020 Bonds are as set forth in the Supplemental Assessment Report.

(b) The lien of the special assessments securing the Series 2020 Bonds includes all developable land within the Lorraine Lakes Project of the District, and as such land is ultimately defined and set forth in plats or other designations of developable acreage. To the extent land is added to the District, the District may, by supplemental resolution, determine such land to be benefited by the Improvements and reallocate the special assessments securing the Series 2020 Bonds and impose special assessments on the newly added and benefited property.

(c) Taking into account capitalized interest and earnings on certain funds and accounts as set forth in the Master Trust Indenture and Thirtieth Supplemental Trust Indenture, the District shall begin annual collection of special assessments for the Series 2020 Bonds debt service payments using the methods available to it by law. Debt service payments and semi-annual installments of interest are reflected on **Exhibit E**. The Series 2020 Bonds include an amount for capitalized interest through November 1, 2021.

(d) The District hereby certifies the special assessments for collection and directs staff to take all actions necessary to meet the time and other deadlines imposed by Manatee County for collection and other Florida law. The District intends, to the extent possible and subject to entering into the appropriate agreements with the Manatee County Tax Collector and Manatee County Property Appraiser, to collect the Series 2020 Assessments on platted lands using the Uniform Method in Chapter 197, Florida Statutes. The District intends, to the extent possible, to directly bill, collect and enforce the Series 2020 Assessments on unplatted lands. The District

Manager shall prepare or cause to be prepared each year a tax roll for purposes of effecting the collection of the special assessments and present same to the District Board as required by law. The District Manager is further directed and authorized to take all actions necessary to collect any prepayments of debt as and when due and to collect special assessments on unplatte property using methods available to the District authorized by Florida law

SECTION 5. APPLICATION OF TRUE-UP PAYMENTS. Pursuant to Resolution 2020-30, there may be required from time to time certain True-Up payments. As lands are platted or approved for development, the special assessments securing the Series 2020 Bonds shall be allocated to the platted lands and the unplatte lands as set forth in Resolution 2020-30, this Resolution, and the Supplemental Assessment Report, including, without limitation, the application of the True-Up process set forth in Section 8 of Resolution 2020-30. Based on the final par amount of \$10,655,000 in Series 2020 Bonds, the True-Up calculations will be made in accordance with the process set forth in the Supplemental Assessment Report. The District shall apply all True-Up payments related to the Series 2020 Bonds only to the credit of the Series 2020 Bonds. All True-Up payments, as well as all other prepayments of assessments, shall be deposited into the accounts specified in the Thirtieth Supplemental Indenture, dated as of September 1, 2020, governing the Series 2020 Bonds.

SECTION 6. IMPROVEMENT LIEN BOOK. Immediately following the adoption of this Resolution these special assessments as reflected herein shall be recorded by the Secretary of the Board of the District in the District's Improvement Lien Book. The special assessment or assessments against each respective parcel shall be and shall remain a legal, valid and binding first lien on such parcel until paid and such lien shall be coequal with the lien of all state, county, district, municipal or other governmental taxes and superior in dignity to all other liens, titles, and claims.

SECTION 7. OTHER PROVISIONS REMAIN IN EFFECT. This Resolution is intended to supplement Resolution 2020-30, which remains in full force and effect. This Resolution and Resolution 2020-30 shall be construed to the maximum extent possible to give full force and effect to the provisions of each resolution. All District resolutions or parts thereof in actual conflict with this Resolution are, to the extent of such conflict, superseded and repealed.

SECTION 8. ASSESSMENT NOTICE. The District's Secretary is hereby directed to record a *Notice of Series 2020 Special Assessments (Lorraine Lakes Project)* securing the Series 2020 Bonds in the Official Records of Manatee County, Florida, or such other instrument evidencing the actions taken by the District.

SECTION 9. SEVERABILITY. If any section or part of a section of this resolution be declared invalid or unconstitutional, the validity, force and effect of any other section or part of a section of this resolution shall not thereby be affected or impaired unless it clearly appears that such other section or part of a section of this resolution is wholly or necessarily dependent upon the section or part of a section so held to be invalid or unconstitutional.

SECTION 10. EFFECTIVE DATE. This Resolution shall become effective upon its adoption.

PASSED AND ADOPTED this 25th day of September, 2020.

ATTEST:

**BOARD OF SUPERVISORS OF THE
LAKEWOOD RANCH STEWARDSHIP
DISTRICT**

Secretary

Tony Chiofalo, Vice Chairman

Exhibit A: *Engineer's Report for Lorraine Lakes*, dated September 2020

Exhibit B: *Supplemental Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector Lorraine Lakes Project Area*, dated September 18, 2020

Exhibit C: Maturities and Coupon of Series 2020 Bonds

Exhibit D: Sources and Uses of Funds for Series 2020 Bonds

Exhibit E: Annual Debt Service Payment Due on Series 2020 Bonds

Exhibit A

Engineers Report

Exhibit B

Supplemental Assessment Methodology Report

Exhibit C

Maturities and Coupon of Series 2020 Bonds

Bond Component	Maturity Date	CUSIP	Amount	Rate	Yield	Price
Term Bond due 2025:						
	05/01/2022		210,000	2.500%	2.540%	99.826
	05/01/2023		215,000	2.500%	2.540%	99.826
	05/01/2024		220,000	2.500%	2.540%	99.826
	05/01/2025	51265K EF1	225,000	2.500%	2.540%	99.826
			870,000			
Term Bond due 2030:						
	05/01/2026		235,000	3.125%	3.140%	99.874
	05/01/2027		240,000	3.125%	3.140%	99.874
	05/01/2028		250,000	3.125%	3.140%	99.874
	05/01/2029		255,000	3.125%	3.140%	99.874
	05/01/2030	51265K EG9	265,000	3.125%	3.140%	99.874
			1,245,000			
Term Bond due 2040:						
	05/01/2031		275,000	3.625%	3.680%	99.234
	05/01/2032		285,000	3.625%	3.680%	99.234
	05/01/2033		295,000	3.625%	3.680%	99.234
	05/01/2034		305,000	3.625%	3.680%	99.234
	05/01/2035		315,000	3.625%	3.680%	99.234
	05/01/2036		330,000	3.625%	3.680%	99.234
	05/01/2037		340,000	3.625%	3.680%	99.234
	05/01/2038		355,000	3.625%	3.680%	99.234
	05/01/2039		365,000	3.625%	3.680%	99.234
	05/01/2040	51265K EH7	380,000	3.625%	3.680%	99.234
			3,245,000			
Term Bond due 2051:						
	05/01/2041		395,000	3.875%	3.875%	100.000
	05/01/2042		410,000	3.875%	3.875%	100.000
	05/01/2043		425,000	3.875%	3.875%	100.000
	05/01/2044		440,000	3.875%	3.875%	100.000
	05/01/2045		460,000	3.875%	3.875%	100.000
	05/01/2046		480,000	3.875%	3.875%	100.000
	05/01/2047		495,000	3.875%	3.875%	100.000
	05/01/2048		515,000	3.875%	3.875%	100.000
	05/01/2049		535,000	3.875%	3.875%	100.000
	05/01/2050		560,000	3.875%	3.875%	100.000
	05/01/2051	51265K EJ3	580,000	3.875%	3.875%	100.000
			5,295,000			
			10,655,000			

Exhibit D

Sources and Uses of Funds for Series 2020 Bonds

SOURCES AND USES OF FUNDS

Lakewood Ranch Stewardship District
(Manatee County, Florida)
Special Assessment Revenue Bonds, Series 2020
(Lorraine Lakes Project)
PRICE DATE: September 17, 2020
FINAL PRICING NUMBERS

Dated Date 09/29/2020
Delivery Date 09/29/2020

Sources:

Bond Proceeds:	
Par Amount	10,655,000.00
Original Issue Discount	-27,939.20
	<hr/>
	10,627,060.80
	<hr/>

Uses:

Project Fund Deposits:	
Project Fund	9,536,044.99
Other Fund Deposits:	
Debt Service Reserve Fund @ 50% of MADS	296,810.94
Capitalized Interest Fund thru 11/1/2021	417,554.87
	<hr/>
	714,365.81

Delivery Date Expenses:

Cost of Issuance	163,550.00
Underwriter's Discount	213,100.00
	<hr/>
	376,650.00
	<hr/>
	10,627,060.80
	<hr/>

Exhibit E
Annual Debt Service Payment Due on Series 2020 Bonds

Lakewood Ranch Stewardship District
 (Manatee County, Florida)
 Special Assessment Revenue Bonds, Series 2020
 (Lorraine Lakes Project)
 PRICE DATE: September 17, 2020
 FINAL PRICING NUMBERS

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
09/29/2020						10,655,000	10,655,000
05/01/2021			225,820.49	225,820.49		10,655,000	10,655,000
11/01/2021			191,734.38	191,734.38	417,554.87	10,655,000	10,655,000
05/01/2022	210,000	2.500%	191,734.38	401,734.38		10,445,000	10,445,000
11/01/2022			189,109.38	189,109.38	590,843.76	10,445,000	10,445,000
05/01/2023	215,000	2.500%	189,109.38	404,109.38		10,230,000	10,230,000
11/01/2023			186,421.88	186,421.88	590,531.26	10,230,000	10,230,000
05/01/2024	220,000	2.500%	186,421.88	406,421.88		10,010,000	10,010,000
11/01/2024			183,671.88	183,671.88	590,093.76	10,010,000	10,010,000
05/01/2025	225,000	2.500%	183,671.88	408,671.88		9,785,000	9,785,000
11/01/2025			180,859.38	180,859.38	589,531.26	9,785,000	9,785,000
05/01/2026	235,000	3.125%	180,859.38	415,859.38		9,550,000	9,550,000
11/01/2026			177,187.50	177,187.50	593,046.88	9,550,000	9,550,000
05/01/2027	240,000	3.125%	177,187.50	417,187.50		9,310,000	9,310,000
11/01/2027			173,437.50	173,437.50	590,625.00	9,310,000	9,310,000
05/01/2028	250,000	3.125%	173,437.50	423,437.50		9,060,000	9,060,000
11/01/2028			169,531.25	169,531.25	592,968.75	9,060,000	9,060,000
05/01/2029	255,000	3.125%	169,531.25	424,531.25		8,805,000	8,805,000
11/01/2029			165,546.88	165,546.88	590,078.13	8,805,000	8,805,000
05/01/2030	265,000	3.125%	165,546.88	430,546.88		8,540,000	8,540,000
11/01/2030			161,406.25	161,406.25	591,953.13	8,540,000	8,540,000
05/01/2031	275,000	3.625%	161,406.25	436,406.25		8,265,000	8,265,000
11/01/2031			156,421.88	156,421.88	592,828.13	8,265,000	8,265,000
05/01/2032	285,000	3.625%	156,421.88	441,421.88		7,980,000	7,980,000
11/01/2032			151,256.25	151,256.25	592,678.13	7,980,000	7,980,000
05/01/2033	295,000	3.625%	151,256.25	446,256.25		7,685,000	7,685,000
11/01/2033			145,909.38	145,909.38	592,165.63	7,685,000	7,685,000
05/01/2034	305,000	3.625%	145,909.38	450,909.38		7,380,000	7,380,000
11/01/2034			140,381.25	140,381.25	591,290.63	7,380,000	7,380,000
05/01/2035	315,000	3.625%	140,381.25	455,381.25		7,065,000	7,065,000
11/01/2035			134,671.88	134,671.88	590,053.13	7,065,000	7,065,000
05/01/2036	330,000	3.625%	134,671.88	464,671.88		6,735,000	6,735,000
11/01/2036			128,690.63	128,690.63	593,362.51	6,735,000	6,735,000
05/01/2037	340,000	3.625%	128,690.63	468,690.63		6,395,000	6,395,000
11/01/2037			122,528.13	122,528.13	591,218.76	6,395,000	6,395,000
05/01/2038	355,000	3.625%	122,528.13	477,528.13		6,040,000	6,040,000
11/01/2038			116,093.75	116,093.75	593,621.88	6,040,000	6,040,000
05/01/2039	365,000	3.625%	116,093.75	481,093.75		5,675,000	5,675,000
11/01/2039			109,478.13	109,478.13	590,571.88	5,675,000	5,675,000
05/01/2040	380,000	3.625%	109,478.13	489,478.13		5,295,000	5,295,000
11/01/2040			102,590.63	102,590.63	592,068.76	5,295,000	5,295,000
05/01/2041	395,000	3.875%	102,590.63	497,590.63		4,900,000	4,900,000
11/01/2041			94,937.50	94,937.50	592,528.13	4,900,000	4,900,000
05/01/2042	410,000	3.875%	94,937.50	504,937.50		4,490,000	4,490,000
11/01/2042			86,993.75	86,993.75	591,931.25	4,490,000	4,490,000
05/01/2043	425,000	3.875%	86,993.75	511,993.75		4,065,000	4,065,000
11/01/2043			78,759.38	78,759.38	590,753.13	4,065,000	4,065,000
05/01/2044	440,000	3.875%	78,759.38	518,759.38		3,625,000	3,625,000
11/01/2044			70,234.38	70,234.38	588,993.76	3,625,000	3,625,000
05/01/2045	460,000	3.875%	70,234.38	530,234.38		3,165,000	3,165,000
11/01/2045			61,321.88	61,321.88	591,556.26	3,165,000	3,165,000

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service	Bond Balance	Total Bond Value
05/01/2046	480,000	3.875%	61,321.88	541,321.88		2,685,000	2,685,000
11/01/2046			52,021.88	52,021.88	593,343.76	2,685,000	2,685,000
05/01/2047	495,000	3.875%	52,021.88	547,021.88		2,190,000	2,190,000
11/01/2047			42,431.25	42,431.25	589,453.13	2,190,000	2,190,000
05/01/2048	515,000	3.875%	42,431.25	557,431.25		1,675,000	1,675,000
11/01/2048			32,453.13	32,453.13	589,884.38	1,675,000	1,675,000
05/01/2049	535,000	3.875%	32,453.13	567,453.13		1,140,000	1,140,000
11/01/2049			22,087.50	22,087.50	589,540.63	1,140,000	1,140,000
05/01/2050	560,000	3.875%	22,087.50	582,087.50		580,000	580,000
11/01/2050			11,237.50	11,237.50	593,325.00	580,000	580,000
05/01/2051	580,000	3.875%	11,237.50	591,237.50			
11/01/2051					591,237.50		
	10,655,000		7,504,633.17	18,159,633.17	18,159,633.17		

LAKWOOD RANCH STEWARDSHIP DISTRICT

Other Matters

(provided under separate cover)

LAKWOOD RANCH STEWARDSHIP DISTRICT

**Financing Matters Relative to the
Northeast Sector Phase 2B,
Series 2020 Bonds**

LAKWOOD RANCH STEWARDSHIP DISTRICT

Supplemental Assessment Methodology Report



SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT LAKEWOOD RANCH STEWARDSHIP DISTRICT NORTHEAST SECTOR SERIES 2020 BONDS Phase 2B

September 2020

Prepared for:

**Board of Supervisors,
Lakewood Ranch Stewardship District**

Prepared on September 22, 2020

**PFM Financial Advisors LLC
12051 Corporate Boulevard
Orlando, FL 32817**



**SUPPLEMENTAL ASSESSMENT METHODOLOGY REPORT
LAKEWOOD RANCH STEWARDSHIP DISTRICT
NORTHEAST SECTOR SERIES 2020 BONDS PHASE 2B**

September 22, 2020

1.0 Introduction

1.1 Background

The Lakewood Ranch Stewardship District ("District") was created on June 17, 2005. The District encompasses approximately 25,605 acres in Manatee and Sarasota Counties. The District initiated its capital improvement plan ("CIP" or the "Northeast Sector Project") for the Northeast Sector which encompasses +/- 3,853 gross acres planned for approximately 7,831 residential units, 85 acres of commercial space, a public high school, and a K-8 public school (the "Northeast Sector"). Table 1 and the Lakewood Ranch Stewardship District Master Engineer's Report for Northeast Sector at Lakewood Ranch Infrastructure Improvements of August 4, 2017 as updated from time to time, (the "District Engineer's Report") provided by Stantec ("District Engineer") provides a description of the area and a location map.

The District approved its Master Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector dated September 8, 2017 ("Master Methodology") describing the methodology to allocate the debt over the approximately 3,853 gross acres in the Northeast Sector, less the 226 acres planned for school sites, water supply lakes and a park, leaving a net of 3,627 gross acres that will receive a special benefit from the proposed CIP to be installed in the Northeast Sector ("Properties"). In addition, the District approved the Series 2017 Note from Florida Community Bank ("FCB 2017 Note") followed by the District's Series 2018 Phase 1A Bonds, Series 2018 Phase 1B Bonds and Series 2019 Phase 2A to fund the initial phases of the CIP.

This report describes the proposed sale of the District's Series 2020 Phase 2B Bonds in the amount of \$17,755,000 to pay off the existing FCB 2017 Note in the estimated amount of \$11,223,782 and fund \$5,098,276 in capital improvements to support development of Parcel H and Parcel I comprising a total of 898 acres planned for 1,500 single-family units.

For ease of exposition and to provide context the updated development plan for the Northeast Sector is shown in Table 1. The update reflects small variations in the unit counts compared to the initial estimates as various parcels are platted and sold to third parties. The total expected unit count has not changed from the original.



Table 1: Projected Land Use Plan – NE Sector

Parcel	Gross Acres	Land Use	Volume*
Parcel A1 - Taylor Morrison	711	SF	1,340
Parcel A2 - Taylor Morrison	281	SF	410
Parcel B - Lennar	545	SF/MF	1,374
Parcel E - D.R. Horton	278	SF	675
Parcel F - Kolter	250	SF/MF	648
Parcel C	20	Apartments	200
Parcel D - Pulte	229	SF	472
Parcel G	260	SF	512
Parcel H - Forestar	379	SF	800
Parcel I - Forestar	519	SF	700
Parcel J	70	Apartments	700
Parcel K*	48	SF	
Parcel L*	58	SF	
Parcel 1 - south of SR 64	20	Commercial	
Parcel 2 - east of Lorraine Rd	20	Commercial	
Parcel 3 - west of Uihlein Rd	15	Commercial	
Parcel 4 - north of SR 70	20	Commercial	
Parcel 5 - south of SR 64	10	Commercial	
High School	80		
K-8 School	40		
	=====	=====	
Total	3,853		7,831
Net (parcels K & L and school sites)	3,627		

Source: The Landowner *estimated

- Parcels K and L have been repurposed for additional acreage relating to the high school site and water supply lakes and parks.

As noted above, the proposed development program for the Northeast Sector's +/- 3,853 gross acres include: 7,831 residential units of various types, 85 acres of commercial space, a public high school, and a K-8 public school. The Landowner sold the following parcels: Taylor Morrison for Parcel A1/A2, Lennar for Parcel B, Pulte for Parcel D, Kolter for Parcel E, and Solera Landco, LLC, the bank financing entity for D.R. Horton, for Parcel F (collectively, the "Sold Properties"). In addition, the Landowner has entered into a purchase and sale contract with Forestar to purchase Parcel H and Parcel I. These landowners, along with others, will develop the Northeast Sector over time based on market conditions.

2.0 Assessment Methodology

2.1 Overview

As described in the Master Methodology, the assessment methodology is a process by which the District will allocate the costs associated with its improvement program to properties in the Northeast Sector area of the District benefiting from the improvements. The allocation is based upon the benefits that each property receives. At the outset, the District has based its CIP on the projected land uses the Landowner currently plans for the Northeast Sector portion of the District as outlined in Table 1.



2.2 The District's Capital Improvement Plan for the Assessment Areas and the District Engineer's Estimate of Cost

Based upon the projected land use plan for the Northeast Sector created by the Landowner summarized in Table 1, the District Engineer has developed the CIP for the Northeast Sector. These cost estimates are summarized in Table 2 below. The Engineer estimates a total project cost of \$84,680,481. The CIP estimate excludes financing costs and interest expenses.

**Table 2: District Engineer's Estimated Costs for
The District's Capital Improvement Program for the Northeast Sector**

Project	2018-19	2020-21	Total
Uilein	\$20,925,060		\$20,925,060
44th Avenue	\$21,993,195		\$21,993,195
Rangeland		\$21,070,125	\$21,070,125
Bourneside		\$14,142,010	\$14,142,010
Post Road		\$3,686,500	\$3,686,500
Contingency and Professional Fees	\$1,502,139	\$1,361,452	\$2,863,591
	=====	=====	=====
Total	\$44,420,394	\$40,260,087	\$84,680,481

Source: Stantec (August 4, 2017, as updated from time to time), "Lakewood Ranch Stewardship District Master Engineer's Report for Northeast Sector at Lakewood Ranch Infrastructure Improvements"

Based on the District Engineer's estimated cost for the Northeast Sector, the Financial Advisor has designed a financing program to provide the construction funds needed for the CIP. Table 3 provides a summary of the financing program needed to fund this project in the Northeast Sector. Bonds or other indebtedness (collectively, "Bonds") totaling approximately \$98,300,000 are needed to fund the CIP.

Table 3: Estimated Size of the Bonds for the Northeast Sector

Category	Series 2018	Series 2019	Future Bond Issues	Total
Construction Fund	\$43,980,394	\$5,051,841	\$35,648,246	\$84,680,481
Debt Service Reserve	\$2,808,789	\$161,868	\$2,385,385	\$5,356,041
Capitalized Interest	\$3,093,000	\$103,722	\$2,701,278	\$5,898,000
Cost of Issuance	\$200,000	\$137,750	\$62,250	\$400,000
Underwriter's Discount	\$1,031,000	\$111,700	\$823,300	\$1,966,000
Rounding - OID	(\$3,182)	\$18,119	(\$15,459)	(\$522)
	=====	=====	=====	=====
Total	\$51,110,000	\$5,585,000	\$41,604,999	\$98,300,000

Source: PFM Financial Advisors LLC



2.3 Allocation to Benefiting Properties – The Master Methodology

The Master Assessment Report allocated \$98,300,000 over the Properties. The Properties consist of the 3,853 gross acres in the Northeast Sector less the 226 acres identified for the school sites and water supply lakes and park which are not assessed leaving a net of 3,627 gross acres of the Properties. Therefore, the cost per gross acre of Properties in the Northeast Sector is \$27,102 on a debt financed basis.

When Properties are sold by the Landowner to new landowners along with the entitlements, the debt per gross acre on new landowner's Property will be refined to reflect the allocation of the entitlements conveyed using the equivalent residential unit ("ERU") methodology described in the Master Assessment Report. The ERU uses a standard single-family residential unit as the basis for measurement, and it is assigned 1 ERU. All other land uses are assigned an ERU in relationship to the single-family home. Table 4 presents the ERU methodology approved by the District for Properties in the Northeast Sector.

Table 4. Allocation of the Cost of the CIP as Funded to The Properties in the Northeast Sector

Land Use	Par Debt	Par Debt/Unit	Debt Service
Single-family standard	\$78,313,394	\$11,837	\$859.94
Single-family age restricted	\$7,020,507	\$10,653	\$773.95
Apartments	\$6,391,964	\$7,102	\$515.97
Commercial (square feet of building)	\$6,574,135	\$12	\$0.86
<hr/>			
Total	\$98,300,000		

Source: PFM Financial Advisors LLC

2.4 True-Up Mechanism

The true up mechanism provides a critical safeguard in the assessment process preventing a buildup of debt on undeveloped property. The mechanism has two parts: (1) establishment of the Ceiling Amount and (2) application of the test to assure the Ceiling is not exceeded. The Ceiling Amount is established by dividing: (a) the debt that is not allocated to platted properties in the Properties by (b) the number of unplattd acres in the Properties.

To date the District has sold \$56,695,000 in bonds as shown in Table 5. The Landowner has sold 2,294 acres of land to Taylor Morrison, Lennar, Pulte, Solera Landco, LLC (bank financing entity for D.R. Horton) and Kolter. The Sold Property has been allocated all \$56,695,000 based on the assessment methodology. Therefore, there is \$0 bond debt on the unsold property in the Northeast Sector at this time.



Table 5. Northeast Sector Bonds and Parcels Sold

Category	Amounts
Series 2018 Phase 1A Bonds	\$14,925,000
Series 2018 Phase 1B Bonds	\$36,185,000
Series 2019 Phase 2A Bonds	\$5,585,000
	=====
Total Bonds Sold	\$56,695,000*
Parcels Sold	Acres Sold
Parcel A1 – Taylor Morrison	711
Parcel A2 – Taylor Morrison	281
Parcel B – Lennar	545
Parcel D - Pulte	229
Parcel E – Solera Landco, LLC	278
Parcel F – Kolter	250
	=====
Total Sold	2,294

Source: PFM Financial Advisors LLC

*The District previously issued its Series 2017 Note, a revolving line of credit, to fund the initial portions of the CIP, however outstanding amounts under the Series 2017 Note will be repaid with the proceeds of the Series 2020 Phase 2B Bonds. As a result, the outstanding balance of the Series 2017 Note concurrent with the issuance of the Series 2020 Phase 2B Bonds will be \$0.

The District plans to sell \$17,755,000 in Series 2020 Phase 2B Bonds as described below. According to the Master Methodology, this debt would initially be allocated on all of the remaining unsold acreage in the Northeast Sector less the lands planned for the schools ("Remaining Assessable Acreage"). As Table 6 shows, the remaining unsold acreage, net of the school sites, totals 1,333.



Table 6. Total Debt Service Allocations for the Series 2020 Bonds

Parcels Unsold	Acreage
Parcel C	20
Parcel G	260
Parcel H	379
Parcel I	519
Parcel J	70
Parcel K	48
Parcel L	58
Parcel 1 - south of SR 64	20
Parcel 2 - east of Lorraine Rd	20
Parcel 3 - west of Uihlein Rd	15
Parcel 4 - north of SR 70	20
Parcel 5 - south of SR 64	10
High School	80
K-8 School	40
<hr/>	
Total	1,559
Less - School Parcels & Parcels K and L	226
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Unsold Acreage	1,333

Source: District Engineer & PFM Financial Advisors LLC

Assuming that the District sells its Series 2020 Phase 2B Bonds in the amount of \$17,755,000 the Ceiling Amount would be set at \$13,320 as follows:

$$\$17,755,000 \text{ Series 2020 Phase 2B Bonds} / 1,333 \text{ remaining unplattd acres} = \$13,320$$

The second part of the process is the application of the test to assure that a plat does not cause the debt on the remaining unplattd acres to exceed the Ceiling Amount. The test is conducted at the platting thresholds of 25%, 50%, 75% and 90% based on gross acreage. Table 7 displays the timing for these tests. At each threshold the District would calculate the remaining unallocated debt per unplattd acre. If the remaining debt per unplattd acre is below the Ceiling Amount, then no further action is needed. However, if the remaining debt were to be above the Ceiling Amount, then the Landowner would be obligated to make a True Up payment to bring the debt per unplattd acre down below the Ceiling Amount.

Table 7. Stage of Development of Phase 2B – Remaining Assessable Acreage for True-Up Test

Category	25%	50%	75%	90%
Cumulative Acres	333	667	1,000	1,200
Unallocated Acres	1,000	667	333	133

Source: PFM Financial Advisors LLC



3.0 Series 2020 Phase 2B Bonds

3.1 Financing Plan

Table 8 presents the estimated sizing for the Series 2020 Phase 2B Bonds based on information from the District's Underwriter.

Table 8. Estimated Sizing for the Series 2020 Phase 2B Bonds

Category	Amount
FCB 2017 Note Payoff	\$11,223,782
Construction Fund	\$5,098,276
Debt Service Reserve Fund	\$518,150
Capitalized Interest Fund	\$384,692
Costs of Issuance	\$175,000
Underwriter's Discount	\$355,100
Rounding	\$0
<hr/>	
TOTAL	\$17,755,000

Source: MBS Capital Markets LLC

3.2 Master Assessment Allocations for the Series 2020 Phase 2B Bond

As noted above, the District has allocated \$98,300,000 in master assessments on the 3,627 gross acres of the Properties in the Northeast Sector for a maximum debt per gross acre of \$27,102. As sales of the Properties occur and entitlements are conveyed, the allocation of debt per gross acre will be refined to reflect the entitlements conveyed using the ERU methodology summarized in Table 4.

As noted above, the Landowner has entered into a purchase and sale contract with Forestar for Parcel H and Parcel I. Table 9 illustrates the application of the assessment methodology to the pending sale of Parcel H and Parcel I.

Table 9. Application of the Assessment Methodology to the Phase 2B Lands

Category	Phase 2B
Land Use	Single-family
Number of Units	1,500
Par Debt/Unit	\$11,837
Total Par Debt Allocated	\$17,755,000
Net Annual Debt Service/Unit	\$691
Total Net Annual Debt Service	\$1,036,300
Total Gross Annual Debt Service	\$1,114,301
Gross Annual Debt Service/Unit	\$743

Source: PFM Financial Advisors LLC



4.0 Tax Roll

As discussed above, the Series 2020 Phase 2B Bonds will initially be levied on an equal per acre basis on the Remaining Assessable Acreage within the Northeast Sector totaling 1,333 acres. The Series 2020 Phase 2B Bonds were sized to correspond with the collection of the Series 2020 Assessments from all 1,500 lots planned within Parcel H and Parcel I of the Northeast Sector currently under contract with Forestar. Upon consummation of the sale of Parcel H and Parcel I, as prescribed by the assessment methodology, the Series 2020 Phase 2B debt assessments will be assigned to Parcel H and Parcel I in its entirety.

While the Series 2020 Phase 2B Bonds will initially be allocated to all Remaining Assessable Acreage within the Northeast Sector, Table 10 reflects the tax roll for the Series 2020 Phase 2B Bonds following the closing on the currently pending contract for Parcel H and Parcel I. The benefitted parcels are identified by parcel numbers at this juncture. When the Property Appraiser assigns tax identification numbers, the District will update the tax roll accordingly. The administrative charges include charges of 2% for the Manatee County Property Tax Assessor, 1% for the Manatee County Property Appraiser, and a 4% collection allowance for early payment of property taxes.

Table 10. Tax Roll

Parcel	Gross Acres	Par Debt	Annual Assessment	Administrative Charges	Total Annual Assessment
Parcel A1 Taylor Morrison	711	\$0	\$0	\$0	\$0
Parcel A2 Taylor Morrison	281	\$0	\$0	\$0	\$0
Parcel B Lennar	545	\$0	\$0	\$0	\$0
Parcel E - D.R. Horton	278	\$0	\$0	\$0	\$0
Parcel F - Kolter	250	\$0	\$0	\$0	\$0
Parcel C	20	\$0	\$0	\$0	\$0
Parcel D - Pulte	229	\$0	\$0	\$0	\$0
Parcel G	260	\$0	\$0	\$0	\$0
Parcel H - Forestar	379	\$7,493,480	\$437,369	\$32,920	\$470,290
Parcel I - Forestar	519	\$10,261,520	\$598,931	\$45,081	\$644,011
Parcel J	70	\$0	\$0	\$0	\$0
Parcel K	48	\$0	\$0	\$0	\$0
Parcel L	58	\$0	\$0	\$0	\$0
Parcel 1 - south of SR 64	20	\$0	\$0	\$0	\$0
Parcel 2 - east of Lorraine Rd	20	\$0	\$0	\$0	\$0
Parcel 3 - west of Uihlein Rd	15	\$0	\$0	\$0	\$0
Parcel 4 - north of SR 70	20	\$0	\$0	\$0	\$0
Parcel 5 - south of SR 64	10	\$0	\$0	\$0	\$0
High School	80	\$0	\$0	\$0	\$0
K-8 School	40	\$0	\$0	\$0	\$0
Total	3,853	\$17,755,000	\$1,036,300	\$78,001	\$1,114,301

Source: PFM Financial Advisors LLC

LAKWOOD RANCH STEWARDSHIP DISTRICT

Resolution 2020-43

RESOLUTION 2020-43

A RESOLUTION OF LAKEWOOD RANCH STEWARDSHIP DISTRICT SUPPLEMENTING ITS RESOLUTION 2005-16 BY AUTHORIZING THE ISSUANCE OF AND AWARDING THE SALE OF NOT EXCEEDING \$19,000,000 PRINCIPAL AMOUNT OF LAKEWOOD RANCH STEWARDSHIP DISTRICT SPECIAL ASSESSMENT REVENUE BONDS, SERIES 2020 (NORTHEAST SECTOR PROJECT - PHASE 2B) FOR THE PURPOSES DESCRIBED HEREIN; DETERMINING THE NEED FOR A NEGOTIATED SALE OF SUCH BONDS AND DELEGATING TO THE CHAIRMAN OR VICE CHAIRMAN OF THE BOARD OF SUPERVISORS OF THE DISTRICT SUBJECT TO COMPLIANCE WITH THE APPLICABLE PROVISIONS HEREOF, THE AUTHORITY TO AWARD THE SALE OF SUCH BONDS TO MBS CAPITAL MARKETS, LLC BY EXECUTING AND DELIVERING TO SUCH UNDERWRITER A BOND PURCHASE CONTRACT; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION OF THE THIRTY-FIRST SUPPLEMENTAL TRUST INDENTURE AND APPOINTING AND APPROVING U.S. BANK NATIONAL ASSOCIATION, AS THE TRUSTEE, BOND REGISTRAR AND PAYING AGENT THEREUNDER; MAKING CERTAIN FINDINGS; APPROVING THE FORM OF SAID BONDS; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF THE PRELIMINARY LIMITED OFFERING MEMORANDUM; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM; APPROVING THE FORM OF AND THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT; AUTHORIZING CERTAIN OFFICIALS OF LAKEWOOD RANCH STEWARDSHIP DISTRICT AND OTHERS TO TAKE ALL ACTIONS REQUIRED IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF SAID BONDS INCLUDING THE EXECUTION OF THE CONTINUING DISCLOSURE AGREEMENT; PROVIDING CERTAIN OTHER DETAILS WITH RESPECT TO SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, Lakewood Ranch Stewardship District (the "District") is authorized by the Lakewood Ranch Stewardship District Act, Chapter 2005-338, Laws of Florida, as amended (the "Act") to issue its bonds for the purpose of acquiring and constructing public improvements and community facilities all as provided in the Act; and

WHEREAS, the District is authorized by the Act to make payments of principal, interest, and premium, if any, with respect to such bonds by levying and collecting special assessments on property located within the District and benefited by the assessable improvements financed with certain proceeds of the Bonds (hereinafter defined); and

WHEREAS, the District pursuant to its Resolution 2005-16 (the "First Resolution") authorized the issuance of its not exceeding \$4,000,000,000 principal amount of its special assessment revenue bonds (the "Bonds") in separate series for the purposes set forth in said First Resolution; and

WHEREAS, the District now desires to authorize the issuance of and award the sale of its Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) in a principal amount not exceeding \$19,000,000 (collectively, the "2020 Bonds"), to approve the Supplemental Indenture (hereinafter defined) and to provide for various other matters relating to the issuance of the 2020 Bonds; and

WHEREAS, this Resolution is supplemental to the First Resolution; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF LAKEWOOD RANCH STEWARDSHIP DISTRICT, as follows:

SECTION 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 (hereinafter defined).

SECTION 2. Authorization. There is hereby authorized to be issued not exceeding \$19,000,000 principal amount of 2020 Bonds. The 2020 Bonds shall be issued under and secured by the Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture"), as supplemented by that certain Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 or such other date and numbering of the supplemental indenture as is mutually agreeable to the District and the Underwriter (the "Supplemental Indenture"), both by and between the District and U.S. Bank National Association, as trustee, (the "Trustee") (the Master Indenture and the Supplemental Indenture referred to collectively as the "Indenture"). By this reference the Indenture is incorporated in this Resolution as if set forth in full herein.

SECTION 3. Approval of Supplemental Indenture and Authorization of Execution and Delivery Thereof. The Supplemental Indenture is hereby approved in substantially the form set forth as Exhibit A hereto and the Chairman or the Vice Chairman of the Board of Supervisors (the "Board") is hereby authorized and directed to execute and deliver such Indenture on behalf of and in the name of the District and the Secretary or any Assistant Secretary of the Board is hereby authorized to attest such execution, with such additions and deletions therein as may be made and approved by the Chairman or the Vice Chairman executing the same, such execution to be conclusive evidence of such approval. The Trustee is hereby approved to serve as Trustee, Bond Registrar and Paying Agent under such Indenture.

SECTION 4. Negotiated Sale. The Board hereby determines that a negotiated sale of the 2020 Bonds to the Underwriter is in the best interests of the District because of prevailing market conditions, because delays caused by soliciting competitive bids could adversely affect the District's ability to issue and deliver the 2020 Bonds at presently favorable interest rates, and

because the nature of the security for the 2020 Bonds and the sources of payment of debt service on the 2020 Bonds requires the participation of an underwriter in structuring the 2020 Bond issue.

SECTION 5. Bond Purchase Contract Approved. The Board hereby approves the Bond Purchase Contract (the "Contract") submitted by the Underwriter in substantially the form attached as Exhibit B hereto. The Chairman or Vice Chairman of the Board is hereby authorized to execute the Contract and to deliver the Contract to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the executing Chairman or Vice Chairman; provided, however, that (i) the principal amount of the 2020 Bonds shall not exceed \$19,000,000, (ii) the net interest cost shall not exceed the maximum allowable by Section 215.84, Florida Statutes, (iii) the 2020 Bonds shall be subject to optional redemption no later than May 1, 2033, shall have a maturity date no later than May 1, 2051, and shall have a redemption price not greater than 100%, and (iv) the underwriter's discount shall not exceed two percent (2.00%) of the principal amount of the 2020 Bonds. Execution by the Chairman or Vice Chairman of the Contract shall be deemed to be conclusive evidence of approval of such changes.

SECTION 6. Preliminary Limited Offering Memorandum and Limited Offering Memorandum. The District hereby approves the form of the Preliminary Limited Offering Memorandum submitted to this meeting and attached hereto as Exhibit C and authorizes its distribution and use in connection with the limited offering for the sale of the 2020 Bonds. If between the date hereof and the mailing of the Preliminary Limited Offering Memorandum it is necessary to make insertions, modifications and changes to the Preliminary Limited Offering Memorandum, the Chairman or Vice Chairman is hereby authorized to approve such insertions, changes and modifications, and, the Chairman or Vice Chairman is hereby authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission (the "Rule") under the Securities Exchange Act of 1934, in the form as mailed. The preparation of a final Limited Offering Memorandum is hereby approved and the Chairman or Vice Chairman is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the 2020 Bonds and, upon such award, to deliver the same to the Underwriter for use by it in connection with the sale and distribution of the 2020 Bonds. The Limited Offering Memorandum shall be substantially in the form of the final Preliminary Limited Offering Memorandum, with such changes as shall be approved by the Chairman or Vice Chairman as necessary to conform to the details of the 2020 Bonds and such other insertions, modifications and changes as may be approved by the Chairman or Vice Chairman. The execution and delivery of the Limited Offering Memorandum by the Chairman or Vice Chairman shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the 2020 Bonds.

SECTION 7. Form of Bonds. The 2020 Bonds shall be in substantially the form as set forth in the exhibit to the Supplemental Indenture, with such additions, deletions and other changes thereto as the officials of the Board executing the 2020 Bonds shall approve, such approval to be conclusively evidenced by the execution of the 2020 Bonds (by manual or facsimile signature) by such officials. The Board hereby authorizes and approves the use of a facsimile of the District seal on the 2020 Bonds.

SECTION 8. Continuing Disclosure Agreement. The form and content of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") relating to the 2020 Bonds attached hereto as Exhibit D is hereby approved. The Chairman or Vice Chairman and the Secretary or any Assistant Secretary are hereby authorized to execute on behalf of the District the Continuing Disclosure Agreement in substantially the form attached hereto, with such additions, deletions, and other changes as may be necessitated by applicable law, this Resolution and the Contract as such officers may approve (such approval to be conclusively evidenced by their execution of the Continuing Disclosure Agreement).

SECTION 9. Application of 2020 Bond Proceeds. Proceeds of the 2020 Bonds, shall be applied as provided in the Supplemental Indenture.

SECTION 10. 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 2020 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 requirement of Florida Statutes, Section 286.011, as supplemented and/or amended by Executive Orders of the Governor of Florida in connection with the state of emergency declared as a result of COVID-19. The Open Meetings were held for the necessary public purpose of considering matters related to the issuance of the 2020 Bonds.

SECTION 11. Other Actions. The Chairman, the Vice Chairman, the Secretary and any Assistant Secretary of the District and PFM Group Consulting LLC, as the District Manager and PFM Financial Advisors LLC, as District Financial Consultant, and any authorized designee thereof (collectively, the "District Officers"), Bryant Miller Olive P.A., as Bond Counsel, Hopping Green & Sams P.A., as General Counsel to the District, and Stantec Consulting Services, Inc., as District Engineer, are hereby authorized and directed to take all actions necessary or desirable in connection with the issuance and delivery of the 2020 Bonds and the consummation of all transactions in connection therewith. The District Officers are hereby authorized and directed to execute all necessary or desirable certificates, documents, papers, and agreements and the undertaking and fulfillment of all transactions referred to in or contemplated by the Indenture, the Contract, the Preliminary Limited Offering Memorandum, this Resolution and the Continuing Disclosure Agreement.

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

SECTION 13. Inconsistent Resolutions and Motions. All prior resolutions of the Board inconsistent with the provisions of this Resolution are hereby modified, supplemented and amended to conform with the provisions herein contained and, except as so modified, supplemented and amended hereby, shall remain in full force and effect.

SECTION 14. Engineer's Report. The Board hereby approves of changes to the Engineer's Report previously approved by the Board and also authorizes further revisions and supplements to the Master Engineer's Report for Northeast Sector with respect to the marketing and sale of the 2020 Bonds.

SECTION 15. Assessment Methodology Report. The Board authorizes further modifications and supplements to the Master Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector previously approved by the Board to conform such report(s) to the marketing and sale of the 2020 Bonds.

SECTION 16. 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.

[Remainder of page intentionally left blank]

SECTION 17. Effective Date. This Resolution shall become effective immediately upon its adoption.

ADOPTED this 25th day of September, 2020.

LAKWOOD RANCH STEWARDSHIP DISTRICT

[SEAL]

By: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary

EXHIBIT A

FORM OF THIRTY-FIRST SUPPLEMENTAL INDENTURE

THIRTY-FIRST SUPPLEMENTAL TRUST INDENTURE
BETWEEN
LAKEWOOD RANCH STEWARDSHIP DISTRICT
AND
U.S. BANK NATIONAL ASSOCIATION,
AS TRUSTEE

Dated as of October 1, 2020

securing

\$_____

Lakewood Ranch Stewardship District
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project – Phase 2B)

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Exhibit "A" Master Engineer's Report for Northeast Sector at Lakewood Ranch Infrastructure Improvements dated _____, 2020

Exhibit "B" Form of 2020 Bonds

THIRTY-FIRST SUPPLEMENTAL TRUST INDENTURE

THIS THIRTY-FIRST SUPPLEMENTAL TRUST INDENTURE (the "Thirty-First Supplemental Indenture") dated as of October 1, 2020, between **LAKWOOD RANCH STEWARDSHIP DISTRICT**, (the "District") and **U.S. BANK NATIONAL ASSOCIATION**, trustee (the "Trustee"), a national banking association authorized to accept and execute trusts of the character herein set out within the State of Florida.

WHEREAS, the District has entered into a Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture") (herein together with this Thirty-First Supplemental Indenture, collectively referred to as the "Indenture") with the Trustee to secure the issuance of its Lakewood Ranch Stewardship District Special Assessment Revenue Bonds (the "Bonds"), issuable in one or more Series from time to time; and

WHEREAS, pursuant to Resolution No. 2005-16 adopted by the Governing Body of the District on August 23, 2005 (the "Bond Resolution"), the District has authorized the issuance of not exceeding \$4,000,000,000 of its Bonds and authorized the execution and delivery of the Master Indenture to secure the issuance of the Bonds; and

WHEREAS, the Bonds were validated by the Circuit Court of the Twelfth Judicial Circuit of the State of Florida in and for Manatee and Sarasota Counties in a Final Judgment Validating Bonds rendered on December 20, 2005, and the appeal period from such final judgment has expired with no appeal being taken; and

WHEREAS, the Governing Body of the District has duly adopted resolutions providing for the acquisition, construction and installation of the capital improvement plan (the "Northeast Sector Project") for the portion of the District known as the Northeast Sector, providing estimated costs of the Northeast Sector Project, defining assessable property to be benefitted by the Northeast Sector Project, defining the portion of the Costs of the Northeast Sector Project 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, stating the intent of the District to issue Bonds secured by such Assessments to finance the Costs of the Northeast Sector Project and, following a public hearing, the District adopted a resolution to fix and establish the Assessments and benefited property, as supplemented with respect to the 2020 Bonds (as defined below); and

WHEREAS, the District has previously issued its Bond Anticipation Note, Series 2017 (Northeast Sector Project) (the "2017 Note"), its Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project – Phase 1A), its Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project – Phase 1B) and its Special Assessment Revenue Bonds, Series 2019 (Northeast Sector Project – Phase 2A) in order to finance a portion of the Northeast Sector Project; and

WHEREAS, pursuant to the Bond Resolution, as supplemented by Resolution No. 2020-43 adopted by the Governing Body of the District on September 25, 2020, the District has

authorized the issuance, sale and delivery of its \$ _____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the “2020 Bonds”) as a Series of Bonds under the Master Indenture and authorized the execution and delivery of this Thirty-First Supplemental Indenture to secure the issuance of the 2020 Bonds; and

WHEREAS, the District will apply the proceeds of the 2020 Bonds to: (i) pay down the revolving line of credit secured by the 2017 Note; (ii) finance the Costs of the acquisition, construction, installation and equipping of the Northeast Sector Project – Phase 2B; (iii) pay certain costs associated with the issuance of the 2020 Bonds; (iv) pay the interest to become due on the 2020 Bonds on May 1, 2021; and (v) fund the 2020 Reserve Account; and

WHEREAS, the execution and delivery of the 2020 Bonds and of this Thirty-First Supplemental Indenture have been duly authorized by the Governing Body of the District and all things necessary to make the 2020 Bonds, when executed by the District and authenticated by the Trustee, valid and binding legal obligations of the District and to make this Thirty-First Supplemental Indenture a valid and binding agreement and, together with the Master Indenture, a valid and binding lien on the 2020 Trust Estate (as hereinafter defined) have been done.

NOW THEREFORE, KNOW ALL MEN BY THESE PRESENTS, THIS THIRTY-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 2020 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 (as defined in the Master Indenture) of, and interest on, all 2020 Bonds Outstanding (as defined in the Master Indenture) 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 Thirty-First Supplemental Indenture and in the 2020 Bonds: (a) has executed and delivered this Thirty-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 interest the trusts under the Master Indenture, and to them and their successors and assigns forever, all right, title and interest of the District, in, to and under, subject to the terms and conditions of the Master Indenture 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 2020 Assessments levied and imposed pursuant to the Assessment Proceedings as the same may be amended from time to time (the “2020 Pledged Revenues”) and the Funds and Accounts (except for the 2020 Rebate Account and the 2020 Costs of Issuance Account) established hereby (the “2020 Pledged Funds”) which shall comprise a part of the Trust Estate securing only the 2020 Bonds, (the “2020 Trust Estate”);

TO HAVE AND TO HOLD all the same by the Master Indenture and hereby granted, bargained, sold, conveyed, transferred, assigned and pledged, or agreed or intended so to be, to the Trustee and its successors in 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 or hereby, for the equal and proportionate benefit, security and protection of all and singular the present and future Owners of the 2020 Bonds issued or to be issued under and secured by this Thirty-First Supplemental Indenture, without preference, priority or distinction as to lien or otherwise, of any 2020 Bond over any other 2020 Bond by reason of priority in their issue, sale or execution;

PROVIDED HOWEVER, that if the District, its successors or assigns, shall well and duly pay, or cause to be paid, or make due provision for the payment of the principal and Redemption Price of the 2020 Bonds or any 2020 Bond secured and Outstanding under this Thirty-First Supplemental Indenture and the interest due or to become due thereon, at the times and in the manner mentioned in the 2020 Bonds and this Thirty-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 Thirty-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 Thirty-First Supplemental Indenture, then upon such final payments, this Thirty-First Supplemental Indenture and the rights hereby granted shall cease and terminate, with respect to all 2020 Bonds or any 2020 Bond of a particular maturity, otherwise this Thirty-First Supplemental Indenture shall remain in full force and effect;

THIS THIRTY-FIRST SUPPLEMENTAL INDENTURE FURTHER WITNESSETH, and it is expressly declared, that all 2020 Bonds issued and secured hereunder are to be issued, authenticated and delivered and all of the rights and property pledged to the payment thereof are to be dealt with and disposed of under, upon and subject to the terms, conditions, stipulations, covenants, agreements, trusts, uses and purposes as in the Master Indenture (except as amended directly or by implication by this Thirty-First Supplemental Indenture), including this Thirty-First Supplemental Indenture, expressed, and the District has agreed and covenanted, and does hereby agree and covenant, with the Trustee and with the respective Owners, from time to time, of the 2020 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 (i) expressly given a different meaning herein or (ii) the context clearly requires otherwise. In

addition, unless the context clearly requires otherwise, the following terms used herein shall have the following meanings:

"2020 Investment Obligations" shall mean and include any of the following securities, in addition to Investment Obligations as defined in the Master Indenture, if and to the extent the same are at the time legal investments for funds of the District, if and to the extent the same are at the time legal investments for funds of the District:

- (A) Government Obligations;
- (B) obligations of any of the following agencies: Government National Mortgage Association (including participation certificates issued by such Association); Fannie Mae (including participation certificates issued by Fannie Mae); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Rural Economic Community Development Administration (formerly the Farmers Home Administration); Student Loan Marketing Association; Federal Home Loan Mortgage Corporation;
- (C) commercial paper rated in the two highest rating categories by both Moody's and S&P;
- (D) obligations of any state of the United States or political subdivision thereof or constituted authority thereof the interest on which is exempt from federal income taxation under Section 103 of the Code and rated in one of the two highest rating categories by both Moody's and S&P;
- (E) both (A) shares of a diversified open-end management investment company (as defined in the Investment Company Act of 1940) or a regulated investment company (as defined in Section 851(a) of the Code) that is a money market fund that is rated in the highest rating category for such funds by Moody's or S&P, and (B) shares of money market mutual funds that invest only in Government Obligations and repurchase agreements secured by such obligations, which funds are rated in the two highest rating categories for such funds by Moody's or S&P;
- (F) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by the Holder of the Collateral (as defined below) with collateral with a domestic or foreign bank or corporation (other than life or property casualty insurance company) the long-term debt of which, or, in the case of a financial guaranty insurance company, claims paying ability, of the guarantor is rated at least "AA" by S&P and "Aa" by Moody's provided that the repurchase agreement shall provide that if during its term the provider's rating by either S&P or Moody's falls below "AA-" or "Aa3," respectively, the provider shall immediately notify the District and the Trustee and the provider shall at its option, within ten (10) Business Days of receipt of publication of such downgrade, either (A) maintain Collateral at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (B) repurchase all collateral and terminate the repurchase agreement. Further, if the provider's rating by either S&P or Moody's falls

below "A-" or "A3," respectively, the provider must immediately notify the District and the Trustee and, at the direction of the District through the Trustee, within ten (10) Business Days, either (1) maintain collateral at levels sufficient to maintain an "AA" rated investment from S&P and an "Aa" rated investment from Moody's, or (2) repurchase all collateral and terminate the repurchase agreement without penalty. In the event the provider has not satisfied the above conditions within ten (10) Business Days of the date such conditions apply, then the repurchase agreement shall provide that the Trustee shall be entitled to, and in such event, the Trustee shall withdraw the entire amount invested plus accrued interest within ten (10) Business Days. Any repurchase agreement entered into pursuant to this Thirty-First Supplemental Indenture shall contain the following additional provisions:

Failure to maintain the requisite collateral percentage will require the District or the Trustee to liquidate the collateral as provided above;

The Holder of the Collateral, as hereinafter defined, shall have possession of the collateral or the collateral shall have been transferred to the Holder of the Collateral, in accordance with applicable state and federal laws (other than by means of entries on the transferor's books);

The repurchase agreement shall state and an opinion of counsel in form and in substance satisfactory to the District shall be rendered and addressed to the District and the Trustee that the Holder of the Collateral has a perfected first priority security interest in the collateral, any substituted collateral and all proceeds thereof (in the case of bearer securities, this means the Holder of the Collateral is in possession);

The repurchase agreement shall be a "repurchase agreement" as defined in the United States Bankruptcy Code and, if the provider is a domestic bank, a "qualified financial contract" as defined in the Financial Institutions Reform, Recovery and Enforcement Act of 1989 ("FIRREA") and such bank is subject to FIRREA;

The repurchase transaction shall be in the form of a written agreement, and such agreement shall require the provider to give written notice to the District and the Trustee of any change in its long-term debt rating;

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

The District and the Trustee shall receive the opinion of counsel (which opinion shall be addressed to the District and the Trustee and shall be in form and substance satisfactory to the District) that such repurchase agreement complies with the terms of this section and is legal, valid, binding and enforceable upon the provider in accordance with its terms;

The term of the repurchase agreement shall be no longer than ten years;

The interest with respect to the repurchase transaction shall be payable no less frequently than quarterly;

The repurchase agreement shall provide that the Trustee may withdraw funds without penalty at any time, or from time to time, for any purpose permitted or required under this Thirty-First Supplemental Indenture;

Any repurchase agreement shall provide that a perfected security interest in such investments is created for the benefit of the Beneficial Owners under the Uniform Commercial Code of Florida, or book-entry procedures prescribed at 31 C.F.R. 306.1 et seq. or 31 C.F.R. 350.0 et seq. are created for the benefit of the Beneficial Owners; and

The collateral delivered or transferred to the Trustee, or a third-party acceptable to, and acting solely as agent for, the Trustee (the "Holder of the Collateral") shall be delivered and transferred in compliance with applicable state and federal laws (other than by means of entries on provider's books) free and clear of any third-party liens or claims pursuant to a custodial agreement subject to the prior written approval of the Majority Owners. The custodial agreement shall provide that the Trustee must have disposition or control over the collateral of the repurchase agreement, irrespective of an event of default by the provider of such repurchase agreement.

If such investments are held by a third-party, they shall be held as agent for the benefit of the Trustee as fiduciary for the Beneficial Owners and not as agent for the bank serving as Trustee in its commercial capacity or any other party and shall be segregated from securities owned generally by such third party or bank;

(G) any other investment approved in writing by the Majority Owners;

(H) bonds, notes and other debt obligations of any corporation organized under the laws of the United States, any state or organized territory of the United States or the District of Columbia, if such obligations are rated in one of the three highest rating categories by both Moody's and S&P or in one of the two highest categories by either S&P or Moody's; and

(I) investment agreements with a bank, insurance company or other financial institution, or the subsidiary of a bank, insurance company or other financial institution if the parent guarantees the investment agreement, which bank, insurance company, financial institution or parent has an unsecured, uninsured and unguaranteed obligation (or claims-paying ability) rated in the highest short-term rating category by Moody's or S&P (if the term of such agreement does not exceed 365 days), or has an unsecured, uninsured and unguaranteed obligation (or claims paying ability) rated by Aa2 or better by Moody's and AA or better by S&P or Fitch Ratings, respectively (if the term of such agreement is more than 365 days) or is the lead bank of a parent bank holding company with an uninsured, unsecured and unguaranteed obligation of the aforesaid ratings, provided:

(1) interest is paid on any date interest is due on the 2020 Bonds (not more frequently than quarterly) at a fixed rate (subject to adjustments for yield restrictions required by the Code) during the entire term of the agreement;

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

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

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

(5) in the event of a suspension, withdrawal, or downgrade below Aa3, AA- or AA- by Moody's, S&P or Fitch Ratings, respectively, the provider shall notify the District and the Trustee within five (5) Business Days of such downgrade event and the provider shall at its option, within ten (10) Business Days after notice is given to the Trustee take any one of the following actions:

(i) collateralize the agreement at levels, sufficient to maintain an "AA" rated investment from S&P and an "Aa2" from Moody's with a market to market approach, or

(ii) assign the agreement to another provider, as long as the minimum rating criteria of "AA" rated investment from S&P and an "Aa2" from Moody's with a market to market approach; or

(iii) have the agreement guaranteed by a provider which results in a minimum rating criteria of an "AA" rated investment from S&P or Fitch and an "Aa2" from Moody's with a market to market approach; or

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

(6) In the event the provider has not satisfied any one of the above conditions within three (3) Business Days of the date such conditions apply, then the agreement shall provide that the Trustee shall be entitled to withdraw the entire amount invested plus accrued interest without penalty or premium.

(J) the Local Government Surplus Funds Trust Fund as described in Florida Statutes, Section 218.405 or the corresponding provisions of subsequent laws provided that such fund is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation); and

(K) other investments permitted by Florida law.

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

"2020 Reserve Account Requirement" shall mean, as calculated from time to time, as of any date of calculation, fifty percent (50%) of the Maximum Annual Debt Service Requirement, which as of the date of issuance of the 2020 Bonds is \$_____.

"Assessment Interest" shall mean the interest on Series 2020 Assessments received by the District which is pledged to the 2020 Bonds, other than Delinquent Assessment Interest.

"Assessment Methodology" shall mean the Master Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector dated September 8, 2017, as updated from time to time, and as supplemented by the Supplemental Assessment Methodology Report Lakewood Ranch Stewardship District Northeast Sector Series 2020 Bonds Phase 2B dated _____, 2020.

"Assessment Principal" shall mean the principal amount of Series 2020 Assessments received by the District which are pledged to the 2020 Bonds, other than Delinquent Assessment Principal and Prepayment Principal.

"Assessment Proceedings" shall mean the Assessment Resolution and the Assessment Methodology.

"Assessment Resolution" shall mean, collectively, Resolution Nos. 2017-19, 2017-20, 2017-23 and 2020-__ and any supplemental resolutions of the District with respect to the establishment, levy and collection of the Series 2020 Assessments.

"Beneficial Owner" shall mean the owners from time to time of the 2020 Bonds for federal income tax purposes.

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

"Bond Participant" shall mean those broker-dealers, banks and other financial institutions from time to time for which the Bond Depository holds 2020 Bonds as securities depository.

"Collateral Assignment Agreement" shall mean the Collateral Assignment and Assumption of Development and Contract Rights Relating to the Northeast Sector Project – Phase 2B between the District and the Landowner dated October __, 2020.

"Completion Agreement" shall mean the agreement or agreements between the Landowner and the District pursuant to which, among other matters, the Landowner has

agreed to provide funds to pay all Costs of the Northeast Sector Project not paid for by the District from proceeds of the 2020 Bonds or prior or future Bonds issued by the District.

“Continuing Disclosure Agreement” means the Continuing Disclosure Agreement executed and delivered in connection with the issuance of the 2020 Bonds and as amended from time to time in accordance with the terms thereof.

“Date of Completion” with respect to the Northeast Sector Project – Phase 2B shall mean: either (a) the date upon which the Northeast Sector Project – Phase 2B 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 District Engineer filed with the Trustee and the District; or (b) the date on which the District determines, upon the recommendation of or consultation with the District Engineer, that it cannot complete the Northeast Sector Project – Phase 2B in a sound and economical manner within a reasonable period of time as evidenced by a certificate of the District Engineer filed with the Trustee and the District; provided that in each case such certificate of the District Engineer shall set forth the amount of all Costs of such Northeast Sector Project – Phase 2B which has theretofore been incurred, but which on the Date of Completion is or will be unpaid or unreimbursed. In the absence of its receipt of such certifications, the Trustee may assume the Date of Completion has not occurred.

“Declaration of Consent to Jurisdiction” shall mean the Declaration of Consent to Jurisdiction of Lakewood Ranch Stewardship District and to Imposition of Special Assessments (Northeast Sector Project – Phase 2B) dated as of October __, 2020.

“Delinquent Assessment Interest” shall mean the interest on Series 2020 Assessments received by the District which is pledged to the 2020 Bonds and deposited with the Trustee after the date on which such Assessment Interest has become due and payable.

“Delinquent Assessment Principal” shall mean the principal amount of Series 2020 Assessments received by the District which are pledged to the 2020 Bonds and deposited with the Trustee after the date on which such Assessment Principal has become due and payable.

“District Manager” shall mean PFM Group Consulting LLC, and its successors and assigns.

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

“Interest Payment Date” shall mean each May 1 and November 1, commencing May 1, 2021.

“Landowner” shall mean SMR Northeast, LLC, a Florida limited liability company, or any successor or assign thereof.

“Landowner True Up Agreement” shall mean that document or documents pursuant to which the Landowner agrees to pay any “debt reduction payments” required pursuant to the Assessment Proceedings as it pertains to the lands owned by the Landowner.

“Majority Owners” shall mean the Beneficial Owners of more than fifty percent (50%) in Outstanding principal amount of the Outstanding 2020 Bonds.

“Maximum Assessment Levels” shall mean the following per unit annual gross debt service assessment levels as shall be evidenced by a Maximum Assessment Level Certification:

<u>Product</u>	<u>Maximum Annual Assessment Levels⁽¹⁾</u>
Townhomes	\$1,480
Villas	\$1,830
40' - 49'	\$1,830
50' - 59'	\$2,080
60' - 69'	\$2,330
70' - 79'	\$2,680
80' - 89'	\$2,930
90' - 99'	\$2,930

⁽¹⁾ Inclusive of the Series 2020 Assessments.

“Maximum Assessment Level Certification” shall mean a certificate of the District’s District Manager that the Assessments for capital projects pledged to any Series of Bonds do not exceed the Maximum Assessment Levels and on which the Trustee may conclusively rely as to the matters set forth therein.

“Master Acquisition Agreement” shall mean any document, including any and all amendments thereto, pursuant to which the Landowner conveys to the District any portion of the Northeast Sector Project.

“Nominee” shall mean the nominee of the Bond Depository, which may be the Bond Depository, as determined from time to time pursuant to this Thirty-First Supplemental Indenture.

“Northeast Sector Project” shall mean the project identified as the Northeast Sector Project and more particularly described in the Engineer’s Report attached hereto as Exhibit A.

“Northeast Sector Project – Phase 2B” shall mean the portion of the Northeast Sector Project financed with proceeds of the 2020 Bonds.

“Participating Underwriter” shall have the meaning ascribed to it in the Continuing Disclosure Agreement.

"Prepayment Principal" shall mean the excess amount (identified by the District as such in writing to the Trustee) of Assessment Principal received by the District over the Assessment Principal then due, but shall not include Delinquent Assessment Principal. Prepayment Principal shall not include the proceeds of any refunding bonds.

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

"Series 2020 Assessments" shall mean the non-ad valorem special assessments including the interest thereon designated as pledged to secure the 2020 Bonds in the Assessment Proceedings.

"Sixteenth Supplemental Indenture" shall mean that certain Sixteenth Supplemental Trust Indenture dated as of September 1, 2017, by and between the District and the Trustee to secure the issuance of the 2017 Note.

"Substantially Absorbed" shall mean the date on which the principal amount of the Series 2020 Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the 2020 Bonds are levied on tax parcels within the District with respect to which a certificate of occupancy has been issued for a structure thereon. Satisfaction of the foregoing definition shall be evidenced by the delivery by the District to the Trustee of a written certificate of the District Manager to such effect and upon which the Trustee may conclusively rely.

All words and terms importing the singular number shall, where the context requires, import the plural number and vice versa.

ARTICLE II **AUTHORIZATION, ISSUANCE AND PROVISIONS OF THE 2020 BONDS**

Section 201. Authorization of 2020 Bonds. The 2020 Bonds are hereby authorized to be issued in the aggregate principal amount of \$_____ for the purposes enumerated in the recitals hereto. The 2020 Bonds shall be substantially in the form set forth as **Exhibit "B"** to this Thirty-First Supplemental Indenture. Each 2020 Bond shall bear the designation "2020-R" and numbered consecutively from 1 upwards.

The 2020 Bonds shall be initially issued in the form of a separate single certificated fully registered 2020 Bond for each maturity of 2020 Bonds. Upon initial issuance, the ownership of such 2020 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as Nominee of The Depository Trust Company, New York, New York ("DTC"), the initial Bond Depository. Except as provided in this Section 201, all of the Outstanding 2020 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 2020 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 Beneficial Owner. Without limiting the immediately preceding sentence, the District, the Trustee, the Bond Registrar and the Paying Agent shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede & Co. or any Bond Participant with respect to any ownership interest in the 2020 Bonds, (ii) the delivery to any Bond Participant or any other person other than an Owner, as shown in the registration books kept by the Bond Registrar, of any notice with respect to the 2020 Bonds, including any notice of redemption, or (iii) the payment to any Bond Participant or any other person, other than an Owner, as shown in the registration books kept by the Bond Registrar, of any amount with respect to principal of, premium, if any, or interest on the 2020 Bonds. The District, the Trustee, the Bond Registrar and the Paying Agent may treat and consider the person in whose name each 2020 Bond is registered in the registration books kept by the Bond Registrar as the absolute owner of such 2020 Bond for the purpose of payment of principal, premium and interest with respect to such 2020 Bond, for the purpose of giving notices of redemption and other matters with respect to such 2020 Bond, for the purpose of registering transfers with respect to such 2020 Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, premium, if any, and interest on the 2020 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 payment 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 2020 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 2020 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 therein with respect to Record Dates, the words "Cede & Co." in this Thirty-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, Bond Registrar and the Paying Agent.

Upon receipt by the Trustee or the District of written notice from DTC: (i) confirming that DTC has received written notice from the District to the effect that a continuation of the requirement that all of the Outstanding 2020 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 2020 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute Bond Depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, the 2020 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 the Beneficial Owners shall designate, in accordance with the provisions hereof.

Section 202. Terms of 2020 Bonds. The 2020 Bonds shall be issued as _____ (____) Term Bonds, which Term Bonds shall bear interest at the fixed interest rate per annum and shall mature in the amounts and on the dates set forth below:

<u>Principal Amount</u>	<u>Interest Rate</u>	<u>Maturity</u>
\$	%	
\$	%	
\$	%	
\$	%	

Section 203. Dating; Interest Accrual. Each 2020 Bond shall be dated the date of delivery thereof. Each 2020 Bond shall also bear its date of authentication. Each 2020 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2020 Bond has been paid, in which event such 2020 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2020 Bonds, in which event such 2020 Bond shall bear interest from its date. Interest on the 2020 Bonds shall be due and payable on each May 1 and November 1, commencing May 1, 2021, and shall be computed on the basis of a 360-day year of twelve 30-day months.

Section 204. Denomination. The 2020 Bonds may be issued in Authorized Denominations provided that delivery to the initial Beneficial Owners shall be in initial minimum denominations of \$100,000 or integral multiples of \$5,000 in excess thereof.

Section 205. Paying Agent. The District appoints the Trustee as Paying Agent for the 2020 Bonds.

Section 206. Bond Registrar. The District appoints the Trustee as Bond Registrar for the 2020 Bonds.

Section 207. Conditions Precedent to Issuance of the 2020 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the 2020 Bonds, all the 2020 Bonds shall be executed by the District for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered by the Trustee to the Participating Underwriter upon its order, but only upon the further receipt by the Trustee of:

- (a) Certified copies of the Assessment Proceedings;
- (b) Executed copies of the Master Indenture and this Thirty-First Supplemental Indenture;
- (c) A Bond Counsel opinion substantially to the effect that: (i) the Indenture has been duly authorized, executed and delivered by the District and constitutes a valid and

binding obligation of the District; (ii) the 2020 Bonds have been duly authorized, executed and delivered by the District and are valid and binding special obligations of the District, payable solely from the sources provided therefor in the Indenture; and (iii) that the interest on the 2020 Bonds is excludable from gross income for federal income tax purposes;

(d) An opinion of Counsel to the District substantially to the effect that (i) the District has been duly established and validly exists as a special district under the Act, (ii) based on certificates of the District Engineer and the Landowner and an opinion of Landowner's Counsel, the District has good right and lawful authority under the Act to undertake the Northeast Sector Project – Phase 2B being financed with the proceeds of the 2020 Bonds, subject to obtaining such licenses, orders or other authorizations as are, at the date of such opinion, required to be obtained from any agency or regulatory body having lawful jurisdiction in order to undertake the Northeast Sector Project – Phase 2B, (iii) all proceedings undertaken by the District with respect to the Series 2020 Assessments have been in accordance with Florida law, (iv) the District has taken all action necessary to levy and impose the Series 2020 Assessments, and (v) the Series 2020 Assessments are legal, valid and binding liens upon the property against which such Series 2020 Assessments are made, coequal with the lien of all state, county, district and municipal taxes, superior in dignity to all other liens, titles and claims, until paid;

(e) A certificate of an Authorized Officer to the effect that, upon the authentication and delivery of the 2020 Bonds, the District will not be in default in the performance of the terms and provisions of the Master Indenture or this Thirty-First Supplemental Indenture;

(f) An Engineers' Certificate or Engineers' Certificates certifying as to the accuracy of the information set forth in the Engineer's Report attached hereto as Exhibit A regarding the Northeast Sector Project – Phase 2B;

(g) A certified copy of the final judgment of validation together with a certificate of no appeal, both in respect of the Bonds; and

(h) Executed copies of the Master Acquisition Agreement, Completion Agreement, Collateral Assignment Agreement, Declaration of Consent to Jurisdiction, and Landowner True-Up Agreement.

The opinions referenced in Sections 207(c) and 207(d) shall either be addressed to the Trustee or have reliance letters to the Trustee that the Trustee is entitled to rely upon such opinions.

Payment of the net proceeds of the 2020 Bonds as set forth in Section 402 hereof shall constitute conclusive evidence that the foregoing conditions have been met to the satisfaction of the District and the Underwriter of the 2020 Bonds.

Section 208. Continuing Disclosure. The District hereby covenants and agrees that it will comply with and carry out all of the provisions of the Continuing Disclosure Agreement. Notwithstanding any other provisions of the Indenture, failure of the District to comply with

the Continuing Disclosure Agreement shall not be considered an Event of Default; however, the Trustee shall, at the written request of the Participating Underwriter or the Owners of at least twenty-five percent (25%) aggregate principal amount of Outstanding 2020 Bonds and receipt of indemnity satisfactory to the Trustee, or any such Owner, may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the District to comply with its obligations under this Section.

ARTICLE III REDEMPTION OF 2020 BONDS

Section 301. 2020 Bonds Subject to Redemption and Purchase. The 2020 Bonds are subject to redemption prior to maturity as provided in the form thereof set forth as **Exhibit "B"** to this Thirty-First Supplemental Indenture. The 2020 Bonds may be purchased as provided in the Master Indenture.

Notwithstanding any other provision hereof or of the Master Indenture, notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice.

ARTICLE IV DEPOSIT OF 2020 BOND PROCEEDS AND APPLICATION THEREOF; ESTABLISHMENT OF ACCOUNTS AND OPERATION THEREOF

Section 401. Establishment of Accounts.

(a) There are hereby established within the Acquisition and Construction Fund held by the Trustee the following accounts:

- (i) a 2020 Acquisition and Construction Account; and
- (ii) a 2020 Costs of Issuance Account.

(b) There are hereby established within the Debt Service Fund held by the Trustee: (i) a 2020 Sinking Fund Account; (ii) a 2020 Interest Account; (iii) a 2020 Capitalized Interest Account; and (iv) a 2020 Redemption Account and therein a 2020 Prepayment Subaccount;

(c) There is hereby established within the Reserve Fund held by the Trustee a 2020 Reserve Account, which account shall be held for the benefit of all of the 2020 Bonds without distinction as to 2020 Bonds and without privilege or priority of one 2020 Bond over another;

(d) There is hereby established within the Revenue Fund held by the Trustee a 2020 Revenue Account; and

(e) There is hereby established within the Rebate Fund held by the Trustee a 2020 Rebate Account.

Section 402. Use of 2020 Bond Proceeds and Other Funds. The net proceeds of the sale of the 2020 Bonds received by the Trustee in the amount of \$_____ (which is the face amount of the 2020 Bonds, less Underwriter's Discount of \$_____ and [plus/less] original issue [discount/premium] of \$_____ (the "Bond Proceeds")) and \$_____ held by the Trustee in the 2017 Note Reserve Account pursuant to the Sixteenth Supplemental Indenture (the "2017 Note Reserve Funds"), shall be applied as follows:

(a) \$_____ of Bond Proceeds, representing the initial 2020 Reserve Account Requirement, shall be deposited to the 2020 Reserve Account;

(b) \$_____ of Bond Proceeds, representing the amount of interest to become due on the 2020 Bonds on May 1, 2021, shall be deposited to the credit of the 2020 Capitalized Interest Account;

(c) \$_____ of Bond Proceeds, representing costs of issuance relating to the 2020 Bonds, shall be deposited to the credit of the 2020 Costs of Issuance Account;

(d) \$_____ of Bond Proceeds shall be credited to the 2020 Acquisition and Construction Account and then transferred to the 2017 Note Principal Account in the amount of \$_____ and to the 2017 Note Interest Account in the amount of \$_____ to be applied to pay down the 2017 Note pursuant to the wire instructions in the Closing Memorandum dated October __, 2020 (the "Closing Memorandum");

(e) \$_____ of Bond Proceeds remaining after the deposits above shall be deposited to the credit of the 2020 Acquisition and Construction Account; and

(f) the 2017 Note Reserve Funds shall be transferred to the 2017 Note Principal Account in the amount of \$_____ and to the 2017 Note Interest Account in the amount of \$_____ to be applied, along with the Bond Proceeds deposited into such Accounts, as provided in paragraph (e) above.

Section 403. 2020 Acquisition and Construction Account.

(a) Amounts on deposit in the 2020 Acquisition and Construction Account shall be applied to pay the Costs of the Northeast Sector Project – Phase 2B upon compliance with the requirements of the requisition provisions set forth in the Master Indenture and/or as otherwise provided herein. The Trustee is not responsible to determine if moneys requested to be paid by the District is for an appropriate use of such moneys.

(b) Any balance remaining in the 2020 Acquisition and Construction Account after the Date of Completion of the Northeast Sector Project – Phase 2B and after retaining the amount, if any, of all remaining unpaid Costs of the Northeast Sector Project – Phase 2B set

forth in the Engineer's Certificate establishing such Date of Completion, shall be transferred to and deposited in the 2020 Prepayment Subaccount of the 2020 Redemption Account and applied to the extraordinary mandatory redemption of the 2020 Bonds in the manner prescribed in the form of 2020 Bond set forth as **Exhibit "B"** hereto. At such time as there are no amounts on deposit in the 2020 Acquisition and Construction Account, such account shall be closed.

Section 404. 2020 Costs of Issuance Account. There shall be deposited in the 2020 Costs of Issuance Account \$_____ which shall, at the written direction of an Authorized Officer of the District, be used to pay the costs of issuance relating to the 2020 Bonds. After February 1, 2021, any amounts deposited in the 2020 Costs of Issuance Account for which there is not pending with the Trustee a requisition shall be transferred to the 2020 Reserve Account if there is any deficiency therein and the remainder to the 2020 Acquisition and Construction Account if the Date of Completion has not yet occurred and if the Date of Completion has already occurred to the 2020 Revenue Account. At such time as there are no amounts on deposit in the 2020 Costs of Issuance Account, such account shall be closed.

Section 405. 2020 Reserve Account. Amounts on deposit in the 2020 Reserve Account, except as provided elsewhere in the Indenture, shall be used only for the purposes set forth in Section 609 hereof and for making payments into the 2020 Interest Account and the 2020 Sinking Fund Account to pay the 2020 Bonds, without distinction as to 2020 Bonds and without privilege or priority of one 2020 Bond over another, when due when the moneys on deposit in such Accounts and available therefor are insufficient.

The Trustee, on or before the forty-fifth (45th) day (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each Quarterly Redemption Date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2020 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in such account, from the first legally available sources of the District. Any excess monies in the 2020 Reserve Account (except excess from investment earnings), shall be deposited in the 2020 Acquisition and Construction Account until the Date of Completion of the Northeast Sector Project – Phase 2B and on and after the Date of Completion of the Northeast Sector Project – Phase 2B shall be deposited in the 2020 Prepayment Subaccount. Unless and until the Trustee receives the Engineer's Certificate establishing that the Date of Completion has occurred, the Trustee may rely that such condition has not occurred.

All earnings on investments in the 2020 Reserve Account, provided no deficiency exists in the 2020 Reserve Account, shall until the Date of Completion be deposited to the 2020 Acquisition and Construction Account and then on and after the Date of Completion, shall be deposited to the 2020 Revenue Account. To the extent a deficiency exists in the 2020 Reserve Account, investment earnings in such account shall remain in that account. Such account shall consist only of cash and 2020 Investment Obligations.

Notwithstanding the foregoing, on the earliest date on which there is on deposit in the 2020 Reserve Account, sufficient monies, taking into account other monies available therefore, to pay and redeem all of the Outstanding 2020 Bonds, together with accrued interest, if any, on such 2020 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2020 Reserve Account to pay and redeem all of the Outstanding 2020 Bonds on the earliest possible date.

The District may provide that the difference between the amounts on deposit in the 2020 Reserve Account and the 2020 Reserve Account Requirement shall be an amount covered by obtaining bond insurance or a surety bond issued by a municipal bond insurer, rated in one of the two highest categories (at least AA by Fitch, and/or S&P and/or at least Aa by Moody's without reference to gradations) by two nationally recognized rating agencies, (the "Reserve Account Credit Instrument"). At any time after the issuance of the 2020 Bonds, the District may withdraw any or all of the amount of money on deposit in the 2020 Reserve Account and substitute in its place a Reserve Account Credit Instrument as described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument, be (a) until the Date of Completion, transferred to the Series 2020 Acquisition and Construction Account to be used to pay Costs of the Northeast Sector Project – Phase 2B, (b) after the Date of Completion, transferred to the 2020 Prepayment Subaccount and used to redeem 2020 Bonds, or (c) upon receipt of an opinion of Bond Counsel, transferred to the District to be used for any lawful purpose of the District.

Section 406. Application of Prepayment Principal. All Prepayment Principal shall upon receipt by the Trustee be deposited to the 2020 Prepayment Subaccount of the 2020 Redemption Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of Prepayment Principal. The Trustee may rely upon the notification from the District which amounts paid hereunder are Prepayments and in the absence of notification as to any amounts being a Prepayment, the Trustee shall deposit such funds in the 2020 Revenue Account. Amounts on deposit in the 2020 Prepayment Subaccount shall be applied to the redemption of the 2020 Bonds in the manner provided in the Master Indenture and as provided for the extraordinary mandatory redemption in **Exhibit "B"** hereto.

Section 407. Tax Covenants and Rebate Accounts. The District shall comply with the Tax Regulatory Covenants (including deposits to and payments from the 2020 Rebate Account) included as part of the closing transcript for the 2020 Bonds, as amended and supplemented from time to time in accordance with their terms.

Section 408. Establishment of 2020 Revenue Account in Revenue Fund; Application of Revenues and Investment Earnings.

(a) The Trustee shall, except as provided below or otherwise provided herein, deposit the 2020 Pledged Revenues to the 2020 Revenue Account and any other amounts or payments specifically designated by the District pursuant to a written direction for said

purpose. The 2020 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. Amounts on deposit in the 2020 Revenue Account, 2020 Interest Account and 2020 Capitalized Interest Account, 2020 Sinking Fund Account, 2020 Redemption Account, 2020 Reserve Account, each Account and Subaccount therein shall be used as provided in the Master Indenture except as otherwise provided herein.

(b) Immediately upon receipt the District shall deposit the 2020 Pledged Revenues with the Trustee together with a written accounting setting forth the amounts of such 2020 Pledged Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established hereunder as follows:

(i) Assessment Interest, which shall be deposited into the 2020 Interest Account;

(ii) Assessment Principal, which shall be deposited into the 2020 Sinking Fund Account;

(iii) Prepayment Principal, which shall be deposited into the 2020 Prepayment Subaccount of the 2020 Redemption Account.

(iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal from the 2020 Reserve Account to pay the principal of 2020 Bonds to the extent that less than the 2020 Reserve Account Requirement is on deposit in the 2020 Reserve Account, and, the balance, if any, shall be deposited into the 2020 Sinking Fund Account;

(v) Delinquent Assessment Interest, shall first be applied to restore the amount of any withdrawal from the 2020 Reserve Account to pay the interest on 2020 Bonds to the extent that less than the 2020 Reserve Account Requirement is on deposit in the 2020 Reserve Account, and, the balance, if any, shall be deposited into the 2020 Interest Account; and

(vi) the balance shall remain in the 2020 Revenue Account.

(c) On the forty-fifth (45th) day preceding each Quarterly Redemption Date (or if such forty-fifth (45th) day is not a Business Day, on the Business Day next preceding such forty-fifth (45th) day), the Trustee shall determine the amount on deposit in the 2020 Prepayment Subaccount of the 2020 Redemption Account, and, if the balance therein is greater than zero, shall transfer, but only after determining that following such transfer sufficient amounts will remain on deposit in the 2020 Revenue Account to make the transfers required by (d) below, from the 2020 Revenue Account for deposit into such 2020 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of 2020 Bonds on the next succeeding Quarterly Redemption Date in the maximum aggregate principal

amount for which moneys are then on deposit in such 2020 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of 2020 Bonds as set forth in **Exhibit "B"** hereto, and Article III of the Master Indenture and Section 301 hereof. Interest due in regard to such extraordinary mandatory redemption shall be paid from the 2020 Interest Account.

(d) Unless otherwise provided below, no later than each May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such date), the Trustee shall transfer from amounts on deposit in the 2020 Revenue Account to the Funds and Accounts designated below, the following amounts in the following order of priority and apply such amounts as provided in the Master Indenture and the provisions hereof:

FIRST, to the 2020 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2020 Bonds then Outstanding on such May 1 or November 1, less any other amount already on deposit in the 2020 Interest Account not previously credited. On May 1, 2021, the Trustee shall transfer from the 2020 Capitalized Interest Account to the 2020 Interest Account an amount equal to the lesser of the amount of interest due on the 2020 Bonds on such date or the amount on deposit in the 2020 Capitalized Interest Account. After making the foregoing transfer on May 1, 2021, any amounts remaining in the Capitalized Interest Account shall be transferred to the 2020 Reserve Account if there is any deficiency therein and the remainder to the 2020 Acquisition and Construction Account if the Date of Completion has not yet occurred and if the Date of Completion has already occurred to the 2020 Revenue Account;

SECOND, on each May 1, commencing May 1, 2021, to the 2020 Sinking Fund Account, an amount equal to the Amortization Installments or principal of 2020 Bonds due on such May 1, less any amounts already on deposit in such Account not previously credited;

THIRD, to the 2020 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the then applicable 2020 Reserve Account Requirement; and

FOURTH, the balance shall be retained in the 2020 Revenue Account.

(e) On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall transfer from the 2020 Revenue Account to the 2020 Rebate Account established for the 2020 Bonds in the Rebate Fund in accordance with the Master Indenture and the Tax Regulatory Covenants, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants. To the extent insufficient moneys are on deposit in the 2020 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

(f) On or after each November 2, beginning November 2, 2021, the balance on deposit in the 2020 Revenue Account on such November 2 shall (i) before the Date of

Completion, be transferred into the 2020 Acquisition and Construction Account, and (ii) on and after the Date of Completion, shall be paid over to the District at the written direction of an Authorized Officer and used for any lawful purpose of the District; provided, however, that on the date of such proposed transfer the amount on deposit in the 2020 Reserve Account shall be equal to the 2020 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Master Indenture or hereunder relating to the 2020 Bonds, including the payment of Trustee's fees and expenses then due.

(g) Anything herein or in the Master Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the 2020 Bonds shall be invested only in 2020 Investment Obligations, and further, earnings on investments in the 2020 Acquisition and Construction Account, 2020 Costs of Issuance Account, 2020 Capitalized Interest Account, 2020 Revenue Account shall be retained as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the 2020 Sinking Fund Account, 2020 Interest Account, and the 2020 Redemption Account, including any subaccounts therein, shall be deposited, as realized, to the credit of the 2020 Revenue Account and used for the purpose of such Account.

Earnings on investments in the 2020 Reserve Account shall be disposed of as provided in Section 405 hereof.

ARTICLE V COVENANTS AND DESIGNATIONS OF THE DISTRICT

Section 501. Provision Relating to Bankruptcy or Insolvency of Landowner. The provisions of this Section 501 shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least three percent (3%) of the then Outstanding Series 2020 Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any 2020 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Trustee, the 2020 Bonds or the Series 2020 Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the 2020 Bonds or for as long as any 2020 Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the 2020 Bonds or the Series 2020 Assessments or the Trustee. The District agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District acknowledges and agrees that, although the 2020 Bonds were issued by the District, the Owners of the 2020 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving an Insolvent Taxpayer: (a) the District hereby agrees that it shall follow the direction of the Trustee in making any election, giving any

consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2020 Assessments, the 2020 Bonds or any rights of the Trustee under the Indenture; (b) the District hereby agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2020 Assessments, the 2020 Bonds or any rights of the Trustee under the Indenture that are inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) file and vote in any such Proceeding any and all claims of the District, and seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2020 Assessments, would have the right to pursue, and, if the Trustee chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute 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 2020 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 (d) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the Series 2020 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 (i) to file a proof of claim with respect to the Series 2020 Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of the immediately preceding paragraphs, nothing in this Section 501 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 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 directions with respect to the Series 2020 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the

District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (c) of the paragraph above.

Section 502. Collection of Series 2020 Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the District shall not be required to collect Series 2020 Assessments using the Uniform Collection Method provided for in Section 197.3631, 197.3632 and 197.3635, Florida Statutes, until such time as the property subject to such Series 2020 Assessments is platted and a distinct ad valorem property tax identification number has been assigned by the Property Appraiser thereto. In addition, the District is not required to use the Uniform Collection Method when the property is owned by a government or includes structures owned by a government.

All Series 2020 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by the landowner no later than thirty (30) days prior to each Interest Payment Date.

In addition, and not in limitation of the covenants contained elsewhere in this Thirty-First Supplemental Indenture and in the Master Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2020 Assessments and to levy the Series 2020 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 2020 Bonds, when due.

Notwithstanding anything in the Indenture to the contrary, upon the occurrence of an Event of Default, the collection of Series 2020 Assessments shall be in the manner directed by the Majority Owners.

Section 503. No Parity Bonds; Limitation on Additional Bonds. Other than Refunding Bonds issued to refund the Outstanding 2020 Bonds, the District shall not, while any 2020 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the 2020 Trust Estate. The District further covenants and agrees that so long as the 2020 Bonds are Outstanding, it will not impose debt service Assessments for capital projects on any lands then subject to the Series 2020 Assessments without the written consent of the Majority Owners; provided, however, such consent shall not be required if (i) such Assessments do not exceed the Maximum Assessment Levels or (ii) the Series 2020 Assessments have been Substantially Absorbed, evidence of which shall be provided by the District to the Trustee in a written certificate upon which the Trustee may conclusively rely. Notwithstanding the foregoing, nothing herein shall preclude the imposition of Assessments (or the issuance of Bonds secured by such Assessments) on property then subject to the Series 2020 Assessments which the District certifies 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.

Section 504. Covenant With Regard to Enforcement and Collection of Delinquent Assessments. Anything herein or in the Master Indenture to the contrary notwithstanding, the

District covenants and agrees that it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provision for the foreclosure of liens of Delinquent 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. However, the 2020 Bonds may not be accelerated except to the extent the Series 2020 Assessments have been accelerated.

ARTICLE VI

MISCELLANEOUS PROVISIONS

Section 601. Additional Events of Default and Remedies. Section 902 of the Master Indenture is hereby amended with respect to the 2020 Bonds by inserting at the conclusion thereof the following paragraphs:

- (a) More than twenty percent (20%) of the operation and maintenance assessments levied by the District are not paid by the date such are due and payable.
- (b) The Trustee is authorized to withdraw funds from the 2020 Reserve Account in an amount greater than twenty-five percent (25%) of the 2020 Reserve Account Requirement to pay debt service on the 2020 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the 2020 Reserve Account to pay debt service on the 2020 Bonds) and any such amount withdrawn is not replenished within ninety (90) days of the date of such withdrawal.
- (c) Material breach by the District of any material covenant made by it in the Indenture, whether or not notice of such breach has been given.

The District covenants and agrees that it will enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provisions for the foreclosure of liens of Delinquent Assessments. The District acknowledges and agrees that (i) upon failure of any property owner to pay Series 2020 Assessments collected directly by the District when due, that the entire Series 2020 Assessments on the delinquent property, with interest and penalties thereon, shall immediately become due and payable and the District shall promptly cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2020 Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings.

Section 602. Foreclosure of Assessment Lien. Notwithstanding any provisions of the Indenture to the contrary, the following provisions shall apply with respect to the Series 2020 Assessments and 2020 Bonds.

If any property shall be offered for sale for the nonpayment of any Series 2020 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2020 Assessments for such property (principal, interest, penalties

and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount greater than or equal to the balance due on the Series 2020 Assessments for such property (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 2020 Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Owners, but shall not be obligated, to direct the District with respect to any action taken pursuant to this Section. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the 2020 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 Owners of the 2020 Bonds within sixty (60) days after the receipt of the request therefore 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 District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture.

Section 603. Interpretation of Thirty-First Supplemental Indenture. This Thirty-First Supplemental Indenture amends and supplements the Master Indenture with respect to the 2020 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this Thirty-First Supplemental Indenture by reference. To the maximum extent possible, the Master Indenture and this Thirty-First Supplemental Indenture shall be read and construed as one document.

Section 604. Amendments. Any amendments to this Thirty-First Supplemental Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

Section 605. Counterparts. This Thirty-First Supplemental Indenture may be executed in any number of counterparts, each of which when so executed and delivered shall be an original; but such counterparts shall together constitute but one and the same instrument.

Section 606. Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this Thirty-First Supplemental Indenture are hereby incorporated herein and made a part of this Thirty-First Supplemental Indenture for all purposes.

Section 607. Payment Dates. In any case in which an Interest Payment Date or the maturity date of the 2020 Bonds or the date fixed for the redemption of any 2020 Bonds shall be other than a Business Day, then payment of interest, principal or Redemption Price need not be made on such date but may be made on the next succeeding Business Day, with the same force and effect as if made on the due date, and no interest on such payment shall accrue for the period after such due date if payment is made on such next succeeding Business Day.

Section 608. No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Owners of the 2020 Bonds.

Section 609. Use of 2020 Acquisition and Construction Account Moneys and Other Trust Funds. Upon the occurrence of an Event of Default, moneys in the Series 2020 Acquisition and Construction Account and the 2020 Trust Estate may be used to pay the fees and the expenses and costs of litigation and other remedies of the Trustee incurred, to pursue remedies under the Indenture.

Section 610. Bond Year. The Bond Year for the 2020 Bonds shall mean May 1-April 30[, except that the first Bond Year is from the date of issuance of the 2020 Bonds through April 30, 2021].

ARTICLE VII THE TRUSTEE; THE PAYING AGENT AND BOND REGISTRAR

Section 701. Acceptance of Trust. The Trustee accepts and agrees to execute the trusts hereby created and agrees to perform such trusts upon the terms and conditions set forth in the Indenture. The Trustee agrees to act as Paying Agent and Bond Registrar for the 2020 Bonds.

Section 702. Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this Thirty-First Supplemental Indenture by the District or for the recitals contained herein (except for the certificate of authentication on the 2020 Bonds), all of which are made solely by the District. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

Section 703. Brokerage Confirmations. The District acknowledges that to the extent regulations of the Comptroller of the Currency or other applicable regulatory entity grant the District the right to receive individual confirmations of security transactions at no additional cost, as they occur, the District specifically waives receipt of such confirmations to the extent permitted by law. The Trustee will furnish the District periodic cash transaction statements that include detail for all investment transactions made by the Trustee hereunder.

Section 704. Assignment of District's Rights under Collateral Assignment Agreement. The District hereby assigns its rights under the Collateral Assignment Agreement to the Trustee for the benefit of the Owners, from time to time, of the 2020 Bonds. The Trustee shall not be deemed to have accepted or assumed any obligation under the Collateral Assignment Agreement by virtue of such assignment.

Section 705. Patriot Act Requirements of Trustee. To help the government fight the funding of terrorism and money laundering activities, Federal law requires all financial institutions to obtain, verify, and record information that identifies each person who opens an account. For a non-individual person such as a business entity, a charity, a trust, or other legal entity, the Trustee will ask for documentation to verify such non-individual person's formation and existence as a legal entity. The Trustee may also ask to see financial statements, licenses,

identification and authorization documents from individuals claiming authority to represent the entity or other relevant documentation.

IN WITNESS WHEREOF, Lakewood Ranch Stewardship District has caused these presents 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 these presents to be signed in its name and on its behalf by its duly authorized officer.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

[SEAL]

By: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary, Board of Supervisors

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

By: _____
Vice President

EXHIBIT "A"

Master Engineer's Report for Northeast Sector at Lakewood Ranch
Infrastructure Improvements dated _____, 2020.

EXHIBIT "B"

Form of the 2020 Bonds

No. 2020-R- \$[_____]

United States of America
State of Florida
LAKEWOOD RANCH STEWARDSHIP DISTRICT
SPECIAL ASSESSMENT REVENUE BOND, SERIES 2020
(NORTHEAST SECTOR PROJECT – PHASE 2B)

Interest <u>Rate</u>	Maturity <u>Date</u>	Dated <u>Date</u>	<u>CUSIP</u>
[____]%	[____]	October __ 2020	51265K __

Registered Owner: Cede & Co.

Principal Amount: [_____] DOLLARS

LAKEWOOD RANCH STEWARDSHIP DISTRICT, a special district duly created and existing pursuant to Chapter 2005-338, Laws of Florida, as amended (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 2020 Bond shall have been called for redemption in whole or in part and payment of the Redemption Price (as defined in the Indenture mentioned hereinafter) shall have been duly made or provided for, the principal amount shown above and to pay (but only out of the sources hereinafter mentioned) interest on the outstanding principal amount hereof from the most recent Interest Payment Date to which interest has been paid or provided for, or if no interest has been paid, from the Dated Date shown above, on May 1 and November 1 of each year (each, an "Interest Payment Date"), commencing on May 1, 2021, payment of said principal sum has been made or provided for, at the rate per annum set forth above. Notwithstanding the foregoing, if any Interest Payment Date is not a Business Day (as defined in the Indenture hereinafter mentioned), then all amounts due on such Interest Payment Date shall be payable on the first Business Day succeeding such Interest Payment Date, but shall be deemed paid on such Interest Payment Date. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture (as hereinafter defined), be paid to the Registered Owner hereof at the close of business on the regular record date for such interest, which shall be the fifteenth (15th) day of the calendar month next preceding such Interest Payment Date, or if such day is not a Business Day on the Business Day immediately preceding such day; provided, however, that on or after the occurrence and continuance of an Event of Default under clause (i) of Section 902 of the Master Indenture (hereinafter defined), the payment of interest and principal or Redemption Price 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 2020 Bond. Except as otherwise applicable to bonds held pursuant to a book entry system, any payment of principal, or Redemption Price shall be made only upon presentation hereof at the designated office of U.S. Bank National Association, located in Fort Lauderdale, Florida, or any alternate or successor paying agent (collectively, the "Paying Agent"). Except as otherwise applicable to bonds held in a book-entry system, 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 payment by wire transfer 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 \$100,000 in aggregate principal amount of the 2020 Bonds or all of the then Outstanding 2020 Bonds, as defined below. Interest on this 2020 Bond will be computed on the basis of a 360-day year of twelve 30-day months.

This 2020 Bond is one of a duly authorized issue of bonds of the District designated "Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B)" (the "2020 Bonds") issuable under and governed by the terms of a Master Trust Indenture, dated as of September 1, 2005 (the "Master Indenture"), between the District and U.S. Bank National Association, as trustee (the "Trustee"), as supplemented by a Thirty-First Supplemental Trust Indenture, dated as of October 1, 2020 (the "Supplemental Indenture"), between the District and the Trustee (the Master Indenture as supplemented by the Supplemental Indenture is hereafter referred to as the "Indenture"). The 2020 Bonds are secured by the 2020 Pledged Revenues and 2020 Pledged Funds as provided for in the Indenture. The 2020 Bonds are issued in an aggregate principal amount of \$_____, for the purpose of (ii) paying down the revolving line of credit secured by the District's Bond Anticipation Note, Series 2017 (Northeast Sector Project); (ii) financing the Cost of the acquisition, construction, installation and equipping the Northeast Sector Project – Phase 2B; (iii) paying certain costs associated with the issuance of the 2020 Bonds; (iv) paying the interest to become due on the 2020 Bonds on May 1, 2021; and (v) funding the 2020 Reserve Account.

NEITHER THIS 2020 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 2020 BOND 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 AUTHORIZING THE ISSUANCE OF THE 2020 BONDS. NO OWNER OR ANY OTHER PERSON SHALL EVER HAVE THE RIGHT TO COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE DISTRICT OR ANY OTHER PUBLIC AUTHORITY OR GOVERNMENTAL BODY TO PAY DEBT SERVICE OR TO PAY ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR THE 2020 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE, OR

THE 2020 BONDS, SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2020 PLEDGED REVENUES AND THE 2020 PLEDGED FUNDS PLEDGED TO THE 2020 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

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 2020 Bond and the execution of the Indenture, have happened, exist and have been performed as so required. This 2020 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.

This 2020 Bond is issued under and pursuant to the Constitution and laws of the State of Florida, particularly Chapter 2005-338, Laws of Florida, as amended, and other applicable provisions of law and pursuant to the Indenture, executed counterparts of which Indenture are on file at the designated 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 2020 Bonds, the collection and disposition of revenues and the funds charged with and pledged to the payment of the principal, and Redemption Price of, and the interest on, the 2020 Bonds, the nature and extent of the security thereby created, the covenants of the District with respect to the levy and collection of Series 2020 Assessments (as defined in the Indenture), the terms and conditions under which the 2020 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 Registered Owners and Beneficial Owners of the 2020 Bonds, and, by the acceptance of this 2020 Bond, the Registered Owner and Beneficial Owners hereof assent to all of the provisions of the Indenture. Terms not otherwise defined herein shall have the meaning ascribed to them in the Indenture. The 2020 Bonds are equally and ratably secured by the 2020 Trust Estate, without preference or priority of one 2020 Bond over another. Subject to certain exceptions, the District has covenanted in the Indenture not to issue or incur any obligations payable from the 2020 Trust Estate other than Refunding Bonds issued in accordance with the provisions of the Master Indenture. The District or other governmental entities may, however, impose and levy assessments or ad valorem taxes payable on a parity with the Series 2020 Assessments securing the 2020 Bonds.

The 2020 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, the 2020 Bonds will initially be delivered in denominations of \$100,000 and integral multiples of \$5,000 in excess thereof. This 2020 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 2020 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 2020 Bond or 2020 Bonds, in the same aggregate principal amount as the 2020 Bond or 2020

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 Indenture and without cost, except for any tax or other governmental charge, 2020 Bonds may be exchanged for an equal aggregate principal amount of 2020 Bonds of the same maturity, in Authorized Denominations and bearing interest at the same rate or rates.

The District has established a book-entry system of registration for the 2020 Bonds. Except as specifically provided otherwise in the Indenture, an agent will hold this 2020 Bond on behalf of the beneficial owner hereof. By acceptance of a confirmation of purchase, delivery or transfer, the beneficial owner of this 2020 Bond shall be deemed to have agreed to such arrangement.

Optional Redemption

The 2020 Bonds are subject to redemption prior to maturity at the option of the District, in whole or in part at any time on or after May 1, 20__ (less than all 2020 Bonds to be selected by lot), at the Redemption Price of the principal amount of the 2020 Bonds or portions thereof to be redeemed, plus accrued interest to the redemption date.

Mandatory Redemption

The 2020 Bonds are subject to mandatory redemption in part by the District by lot prior to their scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the redemption date, on May 1 of the years and in the principal amounts set forth below:

\$_____ Term Bond maturing May 1, 20__

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

*

*Maturity

\$_____ Term Bond maturing May 1, 20____

May 1 of Amortization
the Year Installment
 \$

*

*Maturity

\$_____ Term Bond maturing May 1, 20____

May 1 of Amortization
the Year Installment
 \$

*

*Maturity

\$_____ Term Bond maturing May 1, 20____

May 1 of Amortization
the Year Installment
 \$

*

*Maturity

Upon redemption or purchase of the 2020 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such 2020 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such 2020 Bonds (the annual principal amounts so determined are hereinafter referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption

The 2020 Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Quarterly Redemption Date, and if in part on a pro rata basis as calculated by the District determined by the ratio of the Outstanding principal amount of each maturity of the 2020 Bonds treating for such purposes each Amortization Installment as a maturity divided by the aggregate principal amount of Outstanding 2020 Bonds and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium plus accrued interest to the redemption date, if and to the extent that any one or more of the following shall have occurred:

(i) On or after the Date of Completion of the Northeast Sector Project – Phase 2B, by application of moneys transferred from the 2020 Acquisition and Construction Account to the 2020 Prepayment Subaccount of the 2020 Redemption Account in accordance with the terms of the Indenture; or

(ii) Amounts are deposited into the 2020 Prepayment Subaccount of the 2020 Redemption Account from the prepayment of Series 2020 Assessments and from amounts deposited into the 2020 Prepayment Subaccount from the 2020 Reserve Account; or

(iii) When the amount on deposit in the 2020 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all 2020 Bonds then Outstanding as provided in the Supplemental Indenture.

Except as otherwise provided in the Indenture, if less than all of the 2020 Bonds subject to redemption shall be called for redemption, the particular maturities of such 2020 Bonds or portions of particular maturities of such 2020 Bonds to be redeemed shall be selected by the Bond Registrar on a pro rata basis as determined by the ratio of the Outstanding principal amount of each maturity of the 2020 Bonds divided by the aggregate principal amount of Outstanding 2020 Bonds and as otherwise provided in the Indenture and then by lot within each maturity, as determined by Cede & Co.

Notice of each redemption of 2020 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each Registered Owner of 2020 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. Notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event

or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice. 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 2020 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 2020 Bonds or such portions thereof on such date, interest on such 2020 Bonds or such portions thereof so called for redemption shall cease to accrue, such 2020 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 2020 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.

The Owner of this 2020 Bond shall have no right to enforce the provisions of the Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Indenture, the principal of all the 2020 Bonds then Outstanding under the Indenture may become and may be declared due and payable before the stated maturity thereof, with the interest accrued thereon.

Modifications or alterations of the Indenture or of any indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Indenture.

If the District deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Indenture) sufficient to pay the principal or Redemption Price of any 2020 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 such 2020 Bonds as to the 2020 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 2020 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 2020 Bond is issued with the intent that the laws of the State of Florida shall govern its construction.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, Lakewood Ranch Stewardship District has caused this 2020 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.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

[SEAL]

By: _____
Chairman, Board of Supervisors

ATTEST:

By: _____
Secretary, Board of Supervisors

CERTIFICATE OF AUTHENTICATION

This 2020 Bond is one of the Bonds of the Series designated herein, described in the within-mentioned Indenture.

U.S. BANK NATIONAL ASSOCIATION, as Bond
Registrar

By: _____
Vice President

Date of Authentication: October __, 2020

CERTIFICATE OF VALIDATION

This 2020 Bond is one of a Series of Bonds which were validated by a final judgment rendered by the Circuit Court of the Twelfth Judicial Circuit of the State of Florida in and for Manatee and Sarasota Counties on December 20, 2005.

LAKWOOD RANCH STEWARDSHIP DISTRICT

By: _____
Chairman, Board of Supervisors

[FORM OF ASSIGNMENT FOR 2020 BONDS]

The following abbreviations, when used in the inscription on the face of the within 2020 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 tenant by the entireties

JT TEN as joint tenants with the right of survivorship and not as tenants in common

UNIFORM TRANS MIN ACT - _____ Custodian _____ under Uniform
Transfers to Minors Act _____ (State)

Additional abbreviations may also be used
though not in the above list.

For value received, the undersigned hereby sells, assigns and transfers unto _____ the within 2020 Bond and all rights thereunder, and hereby irrevocably constitutes and appoints _____ attorney to transfer the said 2020 Bond on the books of the District, with full power of substitution in the premises.

Dated this ____ day of _____, ____.

Social Security Number of Employer: _____

Identification Number of Transferee: _____

Signature guaranteed: _____

NOTICE: The assignor's signature to this Assignment must correspond with the name as it appears on the face of the within 2020 Bond in every particular without alteration or any change whatever.

By: _____

Authorized Signatory

EXHIBIT B

FORM OF BOND PURCHASE CONTRACT

\$ _____
LAKEWOOD RANCH STEWARDSHIP DISTRICT
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project - Phase 2B)

BOND PURCHASE CONTRACT

October ___, 2020

Lakewood Ranch Stewardship District
Sarasota/Manatee Counties, Florida

Ladies and Gentlemen:

MBS Capital Markets, LLC (the "Underwriter") hereby offers to enter into this Bond Purchase Contract (this "Bond Purchase Contract") with Lakewood Ranch Stewardship District (the "District") which, upon your acceptance of this offer, will be binding upon you and the Underwriter. This offer of the Underwriter shall, unless accepted by the District, expire at 7:00 P.M. prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. Upon execution and delivery of this Bond Purchase Contract, it shall be binding upon the District and the Underwriter. The Underwriter hereby represents that neither it nor any "person" or "affiliate" has been on the "convicted vendor list" during the past 36 months, as all such terms are defined in Section 287.133, Florida Statutes, as amended. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (hereinafter defined). In conformance with Section 218.385, Florida Statutes, as amended, the Underwriter hereby delivers to the District the Disclosure and Truth-In-Bonding Statement attached hereto as **Exhibit A**.

1. **Purchase and Sale.** Upon the terms and conditions and upon the basis of the respective representations, warranties, agreements and covenants set forth herein, the Underwriter hereby agrees to purchase from the District, and the District hereby agrees to sell to the Underwriter, (all but not less than all) of its \$ _____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) (the "Bonds"). The aggregate purchase price for the Bonds is \$ _____ consisting of \$ _____ par amount of the Bonds, less the Underwriter's discount in the amount of \$ _____ and less original issue discount of \$ _____. The purchase price shall be paid in immediately available federal funds against the delivery of the Bonds.

2. **The Bonds.** The Bonds are being issued pursuant to the Constitution and laws of the State of Florida, including Chapter 2005-338 Laws of Florida, as amended (the "Act"); Resolution No. 2005-16 adopted by the Board of Supervisors of the District (the "Board") on August 23, 2005, as supplemented by Resolution 2020-____ adopted by the Board on September

25, 2020 (collectively, the "Bond Resolution"); and a Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture") between the District and U.S. Bank National Association (the "Trustee"), as supplemented by that certain Thirty-First Supplemental Trust Indenture between the District and the Trustee dated as of November 1, 2020 (the "Supplemental Indenture" and together with the Master Indenture, collectively, the "Indenture"). Pursuant to the Bond Resolution, the District has authorized the execution and delivery of the Indenture and the issuance and delivery of the Bonds thereunder. Capitalized terms not defined herein shall have the meaning ascribed to them in the Indenture. The Series 2020 Assessments will be levied by the District on lands within the District specially benefited by the Northeast Sector Project – Phase 2B (as defined in the Supplemental Indenture) pursuant to resolutions duly adopted by the Board (collectively, the "Assessment Resolution"). The Bonds shall be as described in, and shall be issued and secured pursuant to, the provisions of the Indenture. The District and SMR Northeast LLC, a Florida limited liability company (the "Landowner") will enter into or have already entered into the Collateral Assignment Agreement, Completion Agreement and Landowner True-Up Agreement all as defined in the Supplemental Indenture and that Agreement between the Lakewood Ranch Stewardship District and SMR Northeast, LLC Regarding the Acquisition of Certain Work Product and Infrastructure (Northeast Sector Project – Phase 2B). The documents described in the immediately preceding sentence are collectively referred to as the "Ancillary Documents."

3. **Offering.** The Underwriter intends to offer and sell the Bonds only to accredited investors within the meaning of Chapter 517, Florida Statutes and the rules promulgated thereunder at prices not in excess of or yields not lower than the public offering prices or yields set forth on the cover page of the Limited Offering Memorandum (hereinafter defined); however, subject to the provisions of Section 4 hereof, it may subsequently change such offering prices without any requirement of prior notice. It shall be a condition to the District's obligation to sell and to deliver the Bonds to the Underwriter, and to the Underwriter's obligation to purchase, accept delivery of and pay for the Bonds, that the entire principal amount of the Bonds be issued, sold and delivered by the District and purchased, accepted and paid for by the Underwriter at the Closing (as hereinafter defined) and that the District and the Underwriter receive the opinions, documents and certificates described in Section 9(c) hereof, unless waived in writing by the applicable parties hereto.

4. **Establishment of Issue Price.**

(a) The Underwriter agrees to assist the District in establishing the issue price of the Bonds and shall execute and deliver to the District 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" hereto with such modifications as may be appropriate or necessary, in the reasonable judgment of the Underwriter, the District 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 Bonds.

(b) Except as otherwise indicated in Exhibit "I", the District will treat the first price at which 10% of each maturity of the 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 Contract, the Underwriter shall report to the District the price or prices at

which the Underwriter has sold to the public each maturity of Bonds. If at that time the 10% test has not been satisfied as to any maturity, the Underwriter agrees to promptly report to the District the prices at which the Bonds of that maturity have been sold by the Underwriter to the public. That reporting obligation shall continue, whether or not the Closing Date has occurred, until the 10% test has been satisfied as to the Bonds of that maturity or until all Bonds of that maturity have been sold to the public.

(c) The Underwriter confirms that it has offered the Bonds to accredited investors constituting the public on or before the date of this Bond Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Schedule A to Exhibit "I" attached hereto, except as otherwise set forth therein. Schedule A to Exhibit "I" also sets forth, as of the date of this Bond Purchase Contract, the maturities, if any, of the Bonds for which the 10% test has not been satisfied and for which the District and the Underwriter agree that the restrictions set forth in the next sentence shall apply, which will allow the District to treat the initial offering price to the public of each such maturity as of the sale date as the issue price of that maturity (the "hold-the-offering-price rule"). So long as the hold-the-offering-price rule remains applicable to any maturity of the Bonds, the Underwriter will neither offer nor sell unsold Bonds of that maturity to any person at a price that is higher than the initial offering price to the public during the period starting on the sale date and ending on the earlier of the following:

- (i) the close of the fifth (5th) business day after the sale date; or
- (ii) the date on which the Underwriter has sold at least 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public.

The Underwriter shall promptly advise the District when the Underwriter has sold 10% of that maturity of the Bonds to the public at a price that is no higher than the initial offering price to the public, if that occurs prior to the close of the fifth (5th) business day after the sale date.

The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) the agreement of each underwriter to comply with the hold-the-offering-price rule, as set forth in any agreement among underwriters and the related pricing wires, (ii) in the event a selling group has been created in connection with the initial sale of the Bonds to the public, the agreement of each dealer who is a member of the selling group to comply with the hold-the-offering-price rule, as set forth in a selling group agreement and the related pricing wires, and (iii) in the event that an underwriter is a party to a retail distribution agreement that was employed in connection with the initial sale of the Bonds to the public, the agreement of each broker-dealer that is a party to such agreement to comply with the hold-the-offering-price rule, as set forth in the retail distribution agreement and the related pricing wires. The District further acknowledges that each underwriter shall be solely liable for its failure to comply with its agreement regarding the hold-the-offering-price rule and that no underwriter shall be liable for the failure of any other underwriter, or of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a retail distribution agreement, to comply with its corresponding agreement regarding the hold-the-offering-price rule as applicable to the Bonds.

(d) The Underwriter confirms that:

(i) any agreement among underwriters, any selling group agreement and each retail distribution agreement (to which Underwriter is a party) relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter, each dealer who is a member of the selling group, and each broker-dealer that is a party to such retail distribution agreement, as applicable, to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public, and (B) comply with the hold-the-offering price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires, and

(ii) any agreement among underwriters relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each underwriter that is a party to a retail distribution agreement to be employed in connection with the initial sale of the Bonds to the public to require each broker-dealer that is a party to such retail distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allotted to it until it is notified by the Underwriter that either the 10% test has been satisfied as to the Bonds of that maturity or all Bonds of that maturity have been sold to the public and (B) comply with the hold-the-offering-price rule, if applicable, in each case if and for so long as directed by the Underwriter and as set forth in the related pricing wires.

(e) The Underwriter acknowledges that sales of any Bond to any person that is a related party to an Underwriter shall not constitute sales to the public for purposes of this section. Further, for purposes of this section:

(i) "public" means any person other than an underwriter or a related party,

(ii) "underwriter" means (A) any person that agrees pursuant to a written contract with the District (or with the Underwriter to form an underwriting syndicate) to participate in the initial sale of the Bonds to the public and (B) any person that agrees pursuant to a written contract directly or indirectly with a person described in clause (A) 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),

(iii) a purchaser of any of the Bonds is a "related party" to an underwriter if the underwriter and the purchaser are subject, directly or indirectly, to (i) at least 50% common ownership of the voting power or the total value of their stock, if both entities are corporations (including direct ownership by one corporation of another), (ii) more than 50% common ownership of their capital interests or profits interest, if both entities are partnerships (including direct ownership by one partnership of another) or (iii) more than 50% common ownership of the value of the outstanding stock of the corporation or the

capital interests or profit interests of the partnership, as applicable, if one entity is a corporation and the other entity is a partnership (including direct ownership of the applicable stock or interest by one entity of the other), and

(iv) "sale date" means the date of execution of this Bond Purchase Contract by all parties.

5. **Use of Documents.** The District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum relating to the Bonds dated _____, 2020, including the cover page and all appendices thereto (the "Preliminary Limited Offering Memorandum") that the District has 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 ("Rule 15c2-12") in connection with the limited offering of the Bonds. The District has, prior to the date hereof, authorized the Preliminary Limited Offering Memorandum to be circulated and used by the Underwriter in connection with the limited public offering of the Bonds. The District shall deliver or cause to be delivered, at its expense, to the Underwriter within seven (7) business days after the date hereof but not later than the Closing Date (as defined below) and in sufficient time to allow the Underwriter to comply with all requirements of Rule 15c2-12 and all applicable securities laws and the rules of the Municipal Securities Rulemaking Board (the "MSRB"), a final Limited Offering Memorandum dated the date hereof (such Limited Offering Memorandum, including the cover pages and all appendices thereto, and any amendments and supplements thereto that may be authorized by the District for use with respect to the Bonds being herein collectively called the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda"). The District hereby ratifies the use of the Preliminary Limited Offering Memorandum and approves the execution, circulation and use of the Limited Offering Memorandum by the Underwriter.

6. **Definitions.** For purposes hereof, this Bond Purchase Contract, the Indenture, the DTC Blanket Issuer Letter of Representations (hereinafter defined) the Continuing Disclosure Agreement in substantially the form attached as an appendix to the Preliminary Limited Offering Memorandum (the "Continuing Disclosure Agreement") are referred to herein collectively as the "Financing Documents".

7. **Representations, Warranties and Agreements.** The District hereby represents, warrants and agrees as follows:

(a) The Board is the governing body of the District and the District is and will be at the Closing Date duly organized and validly existing as a local unit of independent special-purpose government created pursuant to the Constitution and laws of the State of Florida, including without limitation the Act;

(b) The District has full legal right, power and authority to: adopt the Bond Resolution and the Assessment Resolution; enter into the Financing Documents and the Ancillary Documents to which it is a party; sell, issue and deliver the Bonds to the Underwriter as provided herein; apply the proceeds of the sale of the Bonds for the purposes described in the Preliminary Limited Offering Memorandum; authorize the distribution of the Preliminary Limited Offering

Memorandum and the use and execution of the Limited Offering Memorandum; carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolution, the Financing Documents, the Ancillary Documents to which it is a party and the Limited Offering Memorandum; acquire and construct the Northeast Sector Project – Phase 2B; issue the Bonds; and levy and collect the Series 2020 Assessments as provided in the Indenture and the Assessment Proceedings (as defined in the Supplemental Indenture). The District has complied, and at the Closing will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Financing Documents, the Ancillary Documents to which it is a party, the Bond Resolution, the Assessment Proceedings and the Bonds;

(c) At meetings of the Board that were duly called and noticed and at which a quorum was present and acting throughout, the Board duly adopted the Bond Resolution and the Assessment Resolution, and same are in full force and effect and have not been supplemented, amended, modified or repealed. By all necessary official Board action, the District has duly authorized and approved the execution and delivery of the Financing Documents, the Ancillary Documents to which it is a party, the Bonds and the Limited Offering Memorandum, has duly authorized and approved the performance by the District of the obligations on its part contained in, the Financing Documents, the Ancillary Documents, and the Bonds and the consummation by it of all other transactions contemplated by this Bond Purchase Contract to be performed by it in connection with the issuance of the Bonds. Upon execution by the District, and assuming the due authorization, execution and delivery by the other parties thereto, each of the Financing Documents and Ancillary Documents to which is a party, will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights and subject, as to enforceability, to general principles of equity (regardless of whether enforcement is sought in a proceeding in equity or at law);

(d) The District is not in material breach of or in material default under any applicable provision of the Act or any applicable constitutional provision, statute or administrative regulation of the State of Florida (the "State") or the United States of America or any applicable judgment or decree, or any loan agreement, indenture, bond, note, resolution, agreement, or 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 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 material event of default under any such instrument; and the execution and delivery of the Bonds, the Financing Documents, the Ancillary Documents to which is a party and the Limited Offering Memorandum and the adoption of the Bond Resolution and the Assessment Resolution, and compliance with the provisions on the District's part contained therein, will not conflict with or constitute a material breach of or material default under any applicable constitutional provision, law, administrative regulation, judgment, decree, loan agreement, resolution, bond, note, 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, nor will any such execution, delivery, adoption, or compliance result in the creation or imposition of any lien, charge, or other security interest or encumbrance of any nature whatsoever upon any of its property or assets or under the terms of any such law, regulation or instrument, except as provided by the Bonds and the Indenture. No event has occurred which constitutes or which, with the lapse of time or the giving of notice, or both, would constitute, an event of default (as therein defined) under the Bonds, or the Financing Documents;

(e) All authorizations, approvals, licenses, permits, consents and orders of any governmental authority, legislative body, board, agency or commission having jurisdiction of the matters which are required for the due authorization by, or which would constitute a condition precedent to, or the absence of which would materially adversely affect, the due execution and performance by the District of its obligations under the Bonds or the Financing Documents or the Ancillary Documents have been duly obtained, except for such approvals, consents and orders as may be required under the Blue Sky or securities laws of any state in connection with the offering and sale of the Bonds as to which the District makes no representation;

(f) The descriptions of the Bonds, the Financing Documents, the Ancillary Documents, the Northeast Sector Project and the Northeast Sector Project – Phase 2B in the Preliminary Limited Offering Memorandum conform in all material respects to the Bonds, the Financing Documents, the Ancillary Documents, the Northeast Sector Project and the Northeast Sector Project – Phase 2B, respectively;

(g) The Bonds, when issued, executed and delivered in accordance with the Bond Resolution and the Indenture and when sold to the Underwriter as provided herein, will be validly issued and outstanding obligations of the District, entitled to the benefits of the Indenture and upon such issuance, execution and delivery of the Bonds, the Indenture will provide, for the benefit of the holders from time to time of the Bonds, a legally valid and binding pledge of and first lien on the 2020 Trust Estate. At Closing, all conditions precedent to the issuance of the Bonds required of the District set forth in the Indenture and other applicable documents of the District will have been complied with or fulfilled or waived by the Underwriter;

(h) Except as disclosed in the Limited Offering Memorandum, as of the date hereof, there is no claim, action, suit, proceeding, inquiry or investigation, at law or in equity, before or by any court, government agency, public board or body, pending or, to its best knowledge, threatened against the District: contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; affecting or seeking to prohibit, restrain or enjoin the sale, issuance or delivery of the Bonds or the application of the proceeds of the sale thereof for the purposes described in the Limited Offering Memorandum or the pledge of and lien on the 2020 Trust Estate pursuant to the Indenture; contesting or affecting specifically as to the District the validity or enforceability of the Act or any action of the District in any respect relating to authorization for the issuance of the Bonds, the construction and/or acquisition of Northeast Sector Project – Phase 2B, the issuance of the Bonds, the levy and collection of the Series 2020 Assessments, the authorization of the Bond Resolution, the Assessment Resolution, the Financing Documents, or the Ancillary Documents to which the District is a party, or the application of the proceeds of the Bonds for the purposes set forth in the Limited Offering Memorandum; contesting the validity or federal or state tax status of the interest on the Bonds; contesting the completeness or accuracy of the Preliminary Limited Offering Memorandum or Limited Offering Memorandum or any supplement or amendment thereto; or where an unfavorable ruling would materially adversely affect the financial position or condition of the District;

(i) The District will furnish such information, execute such instruments and take such other action in cooperation with the Underwriter as the Underwriter may reasonably request in order to: qualify the Bonds for offer and sale under the Blue Sky or other securities

laws and regulations of such states and other jurisdictions of the United States as the Underwriter may designate; and determine the eligibility of the Bonds for investment under the laws of such states and other jurisdictions, and the District will use its best efforts to continue such qualifications in effect so long as required for the initial offering and distribution of the Bonds; provided, however, that the District shall not be required to execute a general or special consent to service of process or to qualify to do business in connection with any such qualification or determination in any jurisdiction or incur any fees in connection with its compliance with the subsection;

(j) As of its date and (unless an event occurs of the nature described in paragraph (1) of this Section 7) and at all times subsequent thereto, up to and including the Closing Date, the statements and information contained in the Preliminary Limited Offering Memorandum (other than "permitted omissions" as permitted by Rule 15c2-12 as such term is defined below) and in the Limited Offering Memorandum (excluding for purposes hereof the statements and information under the captions or subcaptions "DESCRIPTION OF THE 2020 BONDS – Book-Entry Only System," "FUNDS AND ACCOUNTS," "BONDHOLDERS' RISKS," "LAKEWOOD RANCH," "TAX MATTERS," "NORTHEAST SECTOR" "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT," "LITIGATION - The Landowner," "LITIGATION – SMR" and "DISCLOSURE OF MULTIPLE ROLES" as to which no view is expressed) are and will be accurate in all material respects for the purposes for which their use is authorized and do not and will not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made therein, in the light of the circumstances under which they were made, not misleading;

(k) If the Limited Offering Memorandum as supplemented or amended pursuant to subsection (1) of this Section 7, at the time of each supplement or amendment thereto and (unless subsequently again supplemented or amended pursuant to such paragraph) at all times subsequent thereto up to and including the Closing Date, the Limited Offering Memorandum as so supplemented or amended will not 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; provided, however, that no representation is given concerning the information in the Limited Offering Memorandum under the captions or subcaptions "DESCRIPTION OF THE 2020 BONDS - Book-Entry Only System," "FUNDS AND ACCOUNTS," "BONDHOLDERS' RISKS", "LAKEWOOD RANCH," "NORTHEAST SECTOR", "TAX MATTERS," "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT," "LITIGATION" - "LITIGATION - The Landowner," "LITIGATION – SMR" and "DISCLOSURE OF MULTIPLE ROLES";

(l) If between the date of this Bond Purchase Contract and the earlier of: ninety (90) days from the end of the "Underwriting Period" as defined in Securities Exchange Commission Rule 15c2-12 (17 CFR 240.15c2-12) ("Rule 15c2-12"); or the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access System (but in no event less than twenty-five (25) days following the end of the Underwriting Period for the Bonds), any event shall occur, of which the District has actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or to 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, the District shall notify the Underwriter thereof, and, if in

the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the District will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter (unless such supplement or amendment is a result of information provided by the Landowner or the Underwriter, in which case, the Landowner or the Underwriter, as applicable, will at its expense supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter). This covenant shall survive the Closing;

(m) Reserved;

(n) Except as disclosed in the Preliminary Limited Offering Memorandum, there has been no material adverse change in the financial position, results of operations or condition, financial or otherwise, of the District, the District has not issued, assumed or guaranteed any indebtedness payable from any of the 2020 Trust Estate and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolution, the Bonds, the Financing Documents, or the Ancillary Documents to which it is a party, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memorandum;

(o) The District has not and is not now in default in the payment of the principal of or the interest on any governmental security issued or guaranteed by it after December 31, 1975 which would require the disclosure pursuant to Section 517.051, Florida Statutes or the applicable rules of the Florida Department of Financial Services;

(p) The District has not been notified of any listing or the proposed listing of the District by the Internal Revenue Service as an issuer whose arbitrage certifications may not be relied upon;

(q) Any certificate signed by any officer of the District and delivered to the Underwriter will be deemed to be a representation by the District to the Underwriter as to the statements made therein;

(r) All proceedings undertaken by the District with respect to the Series 2020 Assessments, including adoption of the Assessment Resolution, were undertaken in accordance with Florida law. The Series 2020 Assessments, as initially levied and as may be reallocated from time to time in accordance with the Assessment Resolution and the Assessment Reports, included as an appendix to the Limited Offering Memorandum (the "Methodology"), constitute legal, valid, binding and enforceable liens upon the property against which such Series 2020 Assessments are assessed, co-equal with the lien of all county, district and municipal ad valorem taxes and non-ad valorem assessments, and superior in dignity to all other liens, titles and claims, until paid. The levy of the Series 2020 Assessments is sufficient to pay the debt service on the Bonds through the final maturity thereof;

(s) Except as disclosed in the Preliminary Limited Offering Memorandum, the District has complied and shall continue to comply with all continuing disclosure commitments heretofore undertaken by the District and with its continuing disclosure commitments in connection with the Bonds, all in accordance with Rule 15c2-12;

(t) The District acknowledges receipt from the Underwriter of a due diligence request (the "Issuer Due Diligence Checklist"). Except as provided in Section 9(c)(3) hereof, the District has provided the information requested in the Issuer Due Diligence Checklist to the Underwriter prior to the date hereof;

(u) The District acknowledges and agrees that the purchase and sale of the Bonds pursuant to this Bond Purchase Contract is an arm's-length commercial transaction between the District and the Underwriter, 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 the agent, advisor (including, without limitation, a Municipal Advisor (as such item is defined in Section 975(e) of the Dodd-Frank Wall Street Reform and Consumer Protection Act)) or fiduciary of the District, the Underwriter is not acting as a municipal advisor, financial advisor or fiduciary to the District and 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 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 Contract (iv) the Underwriter has financial and other interests that differ from those of the District and (v) the District has consulted its own legal, financial and other advisors to the extent it has deemed appropriate regarding the matters set forth in the Bond Purchase Contract.

8. **Closing**. At 10:00 a.m. prevailing time on October ___, 2020, or at such earlier or later time as may be mutually agreed upon by the District and the Underwriter (the "Closing Date"), the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Bonds in definitive form, duly executed and authenticated, together with the other documents hereinafter mentioned, and, subject to the terms and conditions hereof, the Underwriter will accept such delivery and pay the purchase price of the Bonds as set forth in Section 1 hereof, in federal or other immediately available funds to the order of the District. Such delivery of documents and payment of the purchase price of the Bonds is referred to herein as the "Closing." Delivery of the Bonds as aforesaid shall be made to the Trustee through the "FAST" system of registration with The Depository Trust Company, New York, New York, or at such other place as may be mutually agreed upon by the District and the Underwriter. The Bonds shall be typewritten, shall be prepared and delivered as fully registered Bonds in book-entry only form, registered in the name of Cede & Co. and shall be made available to the Underwriter at least one (1) business day before the Closing Date for purposes of inspection and packaging, unless otherwise agreed by the District and the Underwriter.

9. **Closing Conditions**. The Underwriter has entered into this Bond Purchase Contract in reliance upon the representations, warranties, covenants and agreements of the District contained herein, and in reliance upon the representations, warranties, covenants and agreements to be contained in the documents and instruments to be delivered at the Closing and upon the performance by the District of its obligations hereunder, both as of the date hereof and as of the Closing Date. Accordingly, the Underwriter's obligations under this Bond Purchase Contract to purchase, to accept delivery of and to pay for the Bonds are conditioned upon 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 are also subject to the following additional conditions:

(a) The representations warranties, covenants and agreements of the District contained herein shall be true, complete and correct, on the date hereof and on and as of the Closing Date, as if made on the Closing Date and there shall be no material change in the information supplied to the Underwriter pursuant to the Issuer Due Diligence Checklist or otherwise;

(b) At the time of the Closing, the Act, the Bond Resolution, the Assessment Resolution, the Bonds, the Financing Documents, and the Ancillary Documents shall each be in full force and effect in accordance with their respective terms and the Bond Resolution, the Assessment Resolution, the Indenture and the Limited Offering Memorandum shall not have been supplemented, amended, modified or repealed, except in any such case as may have been agreed to by the Underwriter;

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

(1) The Limited Offering Memorandum and each supplement or amendment, if any, thereto, executed on behalf of the District by the Chairman or Vice Chairman of the Board;

(2) Copies of the Act, the Bond Resolution and the Assessment Resolution certified by the Secretary of the Board under seal as having been duly adopted by the Board of the District and as being in full force and effect, with only such supplements or amendments as may have been agreed to by the Underwriter;

(3) All information requested pursuant to the Issuer Due Diligence Checklist that was identified by the Issuer in writing to the Underwriter as not being available as of the date of signing of this Bond Purchase Contract, in form and substance reasonably satisfactory to the Underwriter, together with executed copies of the Financing Documents and the Ancillary Documents;

(4) The opinion, dated the Closing Date and addressed to the District, the Trustee and the Underwriter (which may be addressed to such parties in one or more separate opinions) of Bond Counsel to the District, in substantially the form included in the Limited Offering Memorandum as an appendix thereto;

(5) The supplemental opinion dated the date of the Closing and addressed to the District, the Trustee and the Underwriter, of Bond Counsel, in the form annexed as **Exhibit C** hereto;

(6) The opinion dated the Closing Date and addressed to the District, the Trustee and the Underwriter of counsel to the District, substantially in the form annexed as **Exhibit D** hereto;

(7) An opinion dated the Closing Date and addressed to the Underwriter of Akerman LLP counsel to the Underwriter in form and substance satisfactory to the Underwriter;

(8) An opinion, dated the Closing Date and addressed to the Underwriter, the District and Bond Counsel, of counsel to the Trustee, in form and substance acceptable to the Underwriter and a customary authorization and incumbency certificate, dated the Closing Date, signed by authorized officers of the Trustee;

(9) A certificate, dated the Closing Date, signed by the Chairman or Vice-Chairman and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained in Section 7 hereof was true and accurate in all material respects on the date when made, has been true and accurate in all material respects at all times since, and continue to be true and accurate in all material respects on the Closing Date as if made on such date; (ii) the District has performed all obligations to be performed hereunder as of the Closing Date; (iii) the District has never been in default as to principal or interest with respect to any obligation issued or guaranteed by the District (iv) the information and statements contained in the Limited Offering Memorandum were, as of the date of the Limited Offering Memorandum, and are, as of the date hereof, true, correct and complete in all material respects and such information did not and does not include any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading; provided, however, that such certification does not include the information in the Limited Offering Memorandum under the captions or subcaptions "DESCRIPTION OF THE 2020 BONDS - Book-Entry Only System," "FUNDS AND ACCOUNTS," "BONDHOLDERS' RISKS", "LAKEWOOD RANCH," "NORTHEAST SECTOR", "TAX MATTERS," "LEGALITY FOR INVESTMENT," "SUITABILITY FOR INVESTMENT," "LITIGATION" - The Landowner," "LITIGATION – SMR" and "DISCLOSURE OF MULTIPLE ROLES"; and no event affecting the District has occurred since the date of the Limited Offering Memorandum which should be disclosed in the Limited Offering Memorandum for the purposes for which it is to be used or which is necessary to be disclosed therein in order to make the statements and information therein not misleading in any material respect as of the date hereof and (v) the District acknowledges its agreement to undertake its obligation under the Continuing Disclosure Agreement and is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreement and the Rule 15c2-12;

(10) A customary signature and no litigation certificate, dated the Closing Date, signed on behalf of the District by the Chairman or Vice-Chairman and Secretary or an Assistant Secretary of the Board;

(11) Evidence of compliance with the requirements of Section 189.051, Florida Statutes;

(12) Executed copies of all Financing Documents and Ancillary Documents;

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

(14) Executed copies of the District's certification as to arbitrage and other matters relative to the tax status of the Bonds under Section 148 of the Internal Revenue Code of 1986, as amended;

(15) A certificate from the District's Consulting Engineer, in substantially the forms attached hereto as **Exhibit E and Exhibit H** dated the Closing Date and addressed to the District and the Underwriter;

(16) a certificate of the Methodology Consultant as described in the Limited Offering Memorandum stating that: (i) the Methodology Consultant consents to the use of the Methodology as an appendix to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum (the "Report") and consents to the references to the firm in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (ii) the information contained in the Limited Offering Memorandum under the caption "ASSESSMENT METHODOLOGY" is true and correct in all material respects and does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading; (iii) except as disclosed in the Preliminary Limited Offering Memorandum and 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; (iv) 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; and (v) the Series 2020 Assessments, as initially levied, and as may be reallocated from time to time as permitted by the resolutions adopted by the District with respect to the Series 2020 Assessments, are sufficient to enable the District to pay the debt service on the Bonds through the final maturity thereof.

(17) A Declaration of Consent to Jurisdiction of Lakewood Ranch Stewardship District and to Imposition of Special Assessments (the "Declaration of Consent") executed and delivered by each owner of real property within the District which is subject to the Series 2020 Assessments;

(18) Evidence that the Assessment Resolution contains language permitting prepayment of the Series 2020 Assessments consistent with the financing structure, in a manner reasonably satisfactory to the Underwriter and its counsel, and that the Methodology reflects such structure;

(19) Evidence of a final, non-appealable judgment of validation of the Bonds;

(20) Such additional documents as may be required by the Indenture to be delivered as a condition precedent to the issuance of the Bonds;

(21) A special assessment acknowledgement from any party holding a mortgage on any property within the boundaries of the District owned by the Landowner;

(22) Executed copy of Internal Revenue Service Form 8038-G relating to the Bonds;

(23) A certificate of the District Manager in the form attached as **Exhibit J**;

(24) Such additional legal opinions, certificates, instruments and other documents as the Underwriter may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the date of the Closing, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memorandum and the due performance or satisfaction by the District on or prior to the date of the Closing of all the agreements then to be performed and conditions then to be satisfied by it.

If the District or the Landowner shall be unable to satisfy the conditions to the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds contained in this Bond Purchase Contract, unless waived in writing by the Underwriter, or if the obligations of the Underwriter to purchase, to accept delivery of and to pay for the Bonds shall be terminated for any reason permitted by this Bond Purchase Contract, this Bond Purchase Contract shall terminate and neither the Underwriter nor the District shall be under any further obligation hereunder, except that the respective obligations of the District and the Underwriter set forth in Section 11 hereof shall continue in full force and effect.

10. **Termination**. The Underwriter shall also have the right to terminate its obligations under this Bond Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the District of its election to do so if, after the execution hereof and prior to the Closing:

(i) an event shall occur which makes untrue or incorrect in any material respect, as of the time of such event, any statement or information contained in the Limited Offering Memorandum or which is not reflected in the Limited Offering Memorandum but should be reflected therein in order to make the statements contained therein not misleading in any material respect and requires an amendment of or supplement to the Limited Offering Memorandum and the effect of which, in the judgment of the Underwriter, would materially adversely affect the market for the Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriter of the Bonds; or

(ii) legislation shall be introduced in, enacted by, reported out of committee, or recommended for passage by either House of the Congress, or 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 Treasury Department of the United States, the Internal Revenue Service or the Chairman 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, or a bill to amend the Code (which, if enacted, would be effective as of a date prior to the Closing) shall be filed in either House, or a decision by a court of competent jurisdiction shall be rendered, or a regulation or filing shall be issued by or on behalf of the Department of the Treasury or the Internal Revenue Service of the United States, or other agency of the federal government, or a release or official statement shall be issued by the President of the United States, the Department of the Treasury or the Internal Revenue Service of the United States, in any such case with respect to or affecting (directly or indirectly) the taxation of interest received on obligations of the general character of the Bonds which, in the opinion of the Underwriter, materially adversely affects the market for the Bonds or the sale, at the contemplated offering prices (or yields), by the Underwriter of the Bonds; or

(iii) a stop order, ruling, regulation, proposed regulation or statement by or on behalf of the Securities and Exchange Commission or any other governmental agency having jurisdiction of the subject matter shall be issued or made to the effect that the issuance, offering, sale or distribution of obligations of the general character of the Bonds is in violation or would be in violation of any provisions of the Securities Act of 1933, as amended, the Securities Exchange Act of 1934, as amended or the Trust Indenture Act of 1939, as amended; or

(iv) legislation introduced in or enacted (or resolution passed) by the Congress or an order, decree, or injunction issued by any court of competent jurisdiction, or an order, ruling, regulation (final, temporary, or proposed), press release or other form of notice issued or made by or on behalf of the Securities and Exchange Commission, or any other governmental agency having jurisdiction of the subject matter, to the effect that obligations of the general character of the Bonds, including any or all underlying arrangements, are not exempt from registration under or other requirements of the Securities Act of 1933, as amended (the "Securities Act"), or that the Indenture is not exempt from qualification under or other requirements of the Trust Indenture Act of 1939, as amended, or that the issuance, offering, or sale of obligations of the general character of the Bonds, including any or all underlying arrangements, as contemplated hereby or by the Limited Offering Memorandum or otherwise, is or would be in violation of the federal securities law as amended and then in effect;

(v) there shall have occurred any outbreak or escalation of hostilities, declaration by the United States of a national or international emergency or war or other calamity or crisis the effect of which on financial markets is such as to make it, in the reasonable judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Limited Offering Memorandum; or

(vi) there shall have occurred a general suspension of trading, minimum or maximum prices for trading shall have been fixed and be in force or maximum ranges or prices for securities shall have been required on the New York Stock Exchange or other

national stock exchange whether by virtue of a determination by that exchange or by order of the Securities and Exchange Commission or any other governmental agency having jurisdiction or any national securities exchange shall have: (i) imposed additional material restrictions not in force as of the date hereof with respect to trading in securities generally, or to the Bonds or similar obligations; or (ii) materially increased restrictions now in force with respect to the extension of credit by or the charge to the net capital requirements of Underwriters or broker-dealers such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Limited Offering Memorandum; or

(vii) a general banking moratorium shall have been declared by federal, Florida, New York or Massachusetts state authorities or a major financial crisis or a material disruption in commercial banking or securities settlement or clearances services shall have occurred such as to make it, in the judgment of the Underwriter, impractical or inadvisable to proceed with the offering of the Bonds as contemplated in the Limited Offering Memorandum.

(viii) The District or Landowner has, without the prior written consent of the Underwriter, offered or issued any bonds, notes or other obligations for borrowed money, or incurred any material liabilities, direct or contingent, related solely and exclusively to the lands subject to the Series 2020 Assessments or impacting the Series 2020 Assessments or, there has been an adverse change of a material nature in the financial position, results of operations or condition, financial or otherwise, of the District or Landowner other than in the ordinary course of its business.

11. Expenses.

(a) The Underwriter shall be under no obligation to pay, and the District shall pay, any expense incident to the performance of the District's obligations hereunder including, but not limited to: the cost of preparation, printing and delivery of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum in reasonable quantities (but in no event less than as may be required by Section 5 hereof); the cost of preparation, printing and delivery of any supplements and amendments to the Limited Offering Memorandum; the cost of preparation and printing of the Bonds; the fees and disbursements of Bond Counsel and counsel to the District; the fees and disbursements of the District Manager, Methodology Consultant and Municipal Advisor; the fees and disbursements of any engineers, accountants, and other experts, consultants or advisors retained by the District; the fees and expenses of the Trustee, Paying Agent and Bond Registrar, and of their respective counsel, if any; expenses incurred on behalf of the District's employees which are incidental to implementing this Bond Purchase Contract, including without limitation, meals, transportation and lodging and the cost of recording in the Official Records of Manatee County any Financing Documents or Ancillary Documents, or other documents or certificates that are required to be recorded pursuant to the terms of this Bond Purchase Contract. The District shall record all documents required to be provided in recordable from hereunder within seven business days after the Closing Date, which obligation shall survive Closing.

(b) The Underwriter shall pay: the cost of preparation and printing of this Bond Purchase Contract; and all other expenses incurred by it in connection with the public offering of the Bonds, including the fees and disbursements of counsel retained by it, not provided for in (a) above.

12. **Notices.** Any notice or other communication to be given to the District under this Bond Purchase Contract may be given by delivering the same in writing to the District Manager at PFM Consulting Group LLC, 12051 Corporate Blvd., Orlando, Florida 32817, Attention: Hank Fishkind, with a copy to District Counsel at Hopping Green & Sams, P.A., 119 South Monroe Street, Suite 300, Tallahassee, Florida 32301, Attention: Jonathan Johnson, and any notice or other communication to be given to the Underwriter under this Bond Purchase Contract may be given by delivering the same in writing to MBS Capital Markets, LLC, 152 Lincoln Avenue, Winter Park, FL 32789, Attention: Brett Sealy.

13. **Parties In Interest; Survival of Representations.** This Bond Purchase Contract is made solely for the benefit of the District and the Underwriter (including the successors or assigns of the Underwriter) and no other person shall acquire or have any right hereunder or by virtue hereof. All of the District's representations, warranties and agreements contained in this Bond Purchase Contract shall remain operative and in full force and effect, regardless of: (i) any investigations made by or on behalf of the Underwriter; and (ii) delivery of and payment for the Bonds pursuant to this Bond Purchase Contract.

14. **Effectiveness.** This Bond Purchase Contract shall become effective upon the execution by the appropriate officials of the District and shall be valid and enforceable at the time of such acceptance. To the extent of any conflict between the provisions of this Bond Purchase Contract and any prior contract between the parties hereto, the provisions of this Bond Purchase Contract shall govern.

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

16. **Amendment.** No modification, alteration or amendment to this Bond Purchase Contract shall be binding upon any party until such modification, alteration or amendment is reduced to writing and executed by all parties hereto.

17. **Governing Law.** The laws of the State of Florida shall govern this Bond Purchase Contract.

18. **Counterparts.** This Bond Purchase Contract may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were signatories upon the same instrument. Facsimile and pdf signatures shall be deemed originals.

19. **Severability.** If any provision of this Bond Purchase Contract is, or is held to be invalid or unenforceable as applied in any particular case in any jurisdiction because it conflicts with any provision(s) of any constitution, rule or public policy, statute or any other reason, such circumstances shall not make the provision in question invalid or unenforceable in any other case or circumstance, or make any other provision (s) or this Bond Purchase Contract invalid or unenforceable.

20. **General.** This Bond Purchase Contract shall constitute the entire agreement, and supersedes any and all prior agreements and understandings, both written and oral, between the parties with respect to the subject matter hereof.

**SIGNATURE PAGE FOR
BOND PURCHASE CONTRACT
Lakewood Ranch Stewardship District
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project - Phase 2B)**

Accepted and agreed to as of the date first above written:

Very truly yours,

MBS CAPITAL MARKETS, LLC

By: _____
Managing Partner

Accepted and agreed to as of
the date first above written:

**LAKWOOD RANCH
STEWARDSHIP DISTRICT**

By: _____
Chair, Board of Supervisors

EXHIBIT A
DISCLOSURE AND TRUTH-IN-BONDING STATEMENT

The undersigned, as Underwriter, proposes to negotiate with the Lakewood Ranch Stewardship District (the "District") for the purchase of its Special Assessment Revenue Bonds, Series 2020 (the Northeast Sector Project - Phase 2B) in the original aggregate principal amount of \$5,585,000 (the "Bonds"). Arrangements for the purchase of the Bonds by the Underwriter from the District and the sale of the Bonds by the District to the Underwriter will include a Bond Purchase Contract between the District and the Underwriter that will embody the negotiations in respect thereof.

The purpose of this certificate is to furnish, pursuant to the provisions of Section 218.385(2), (3) and (6), Florida Statutes, as amended, certain information in respect of the arrangements contemplated for the purchase and sale of the Bonds. Prior to the award of the Bonds to the Underwriter, the following information is hereby furnished to the District:

1. The nature and estimated amounts of expenses to be incurred by the Underwriter in connection with the issuance of the Bonds are set forth in Schedule I attached hereto.

2. Based upon the knowledge of the Underwriter, there are no "finders", as defined in Section 218.386, Florida Statutes, as amended, connected with the issuance of the Bonds.

3. The amount of underwriting spread expected to be realized is:

	\$/1,000	Amount
Average Takedown:		\$
Management Fee		\$
Expenses:		\$
Total		\$

4. There is no fee, bonus or other compensation to be paid by the Underwriter in connection with the issuance of the Bonds to any person not regularly employed or retained by the Underwriter, except as specifically enumerated as expenses referred to in paragraph (1) above to be incurred by the Underwriter as set forth in Schedule I attached hereto.

5. For purposes of subsections (2) and (3) of Section 218.385, Florida Statutes, as amended, the following Truth-in-Bonding Statement is made with respect to the Bonds:

The District is proposing to issue \$_____ of the Bonds for the purpose of providing moneys to: (i) finance the cost of acquiring, constructing and equipping the assessable improvements comprising the Northeast Sector Project - Phase 2B, (ii) pay certain costs associated with the issuance of the Bonds, (iii) pay a portion of the interest to become due on the Bonds, and (iv) fund the 2020 Reserve Account. The Bonds are expected to be repaid over a period of approximately _____ years. At the interest rates set out in Exhibit B to the Purchase Contract, total interest paid over the life of the Bonds will be approximately \$_____.

The source of repayment for the Bonds is the revenues derived by the District from the Series 2020 Assessments imposed, levied and collected upon real property located within the District specially benefited by the Northeast Sector Project - Phase 2B (as defined in the Supplemental Indenture). Issuing the Bonds will result in \$_____ (representing the average annual debt service payments due on the Bonds) of such special assessment revenues of the District not being available to the District on an annual basis to finance other services of the District; provided however, that in the event that the Bonds were not issued, the District would not be entitled to impose and collect the Series 2020 Assessments in the amount of the principal of and interest to be paid such Bonds.

6. The name and address of the Underwriter is:

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

IN WITNESS WHEREOF, the undersigned has executed this Disclosure and Truth-in-Bonding Statement on behalf of the Underwriter this ____ day of October, 2020.

MBS CAPITAL MARKETS, LLC

By: _____
Managing Partner

SCHEDULE I

<u>Underwriter's Expenses</u>	<u>Amount</u>
Underwriter's Counsel Fee	\$
Travel Expenses	\$
Communication	\$
Day Loan	\$
Clearance & Settlement Charges	\$
CUSIP/DTC	\$
Contingency	\$
Total:	\$

EXHIBIT B

TERMS OF BONDS

1. Par Amount: \$_____

2. Amounts, interest rates, maturity dates and prices:

\$	%	Term Bonds Due May 1, _____	Price:	
\$	%	Term Bonds Due May 1, _____	Price:	
\$	%	Term Bonds Due May 1, _____	Price:	
\$	%	Term Bonds Due May 1, _____	Price:	

3. Redemption Provisions:

Optional Redemption.

The Bonds are subject to redemption at the option of the District prior to maturity in whole or in part at any time on or after May 1, _____ (less than all Bonds to be selected by lot), at the Redemption Price of the principal amount of the Bonds or portions thereof to be redeemed together with accrued interest to the redemption date.

Mandatory Sinking Fund Redemption.

The Bond maturing on May 1, _____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus 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	\$

*

* Maturity

The Bond maturing on May 1, _____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium,

plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

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

*

* Maturity

The Bond maturing on May 1, ____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

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

*

* Maturity

The Bond maturing on May 1, ____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus 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
	\$

*

* Maturity

Upon redemption or purchase of the Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such Bonds (the annual principal amounts so determined referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption.

The Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Quarterly Redemption Date, and if in part on a pro rata basis determined by the ratio of the Outstanding principal amount of each maturity of the Bonds treating for such purposes each Amortization Installment as a maturity divided by the aggregate principal amount of Outstanding Bonds, and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

- (i) On or after the Date of Completion of the Northeast Sector Project – Phase 2B, by application of moneys transferred from the 2020 Acquisition and Construction Account to the 2020 Prepayment Subaccount of the 2020 Redemption Account in accordance with the terms of the Indenture; or
- (ii) Amounts are deposited into the 2020 Prepayment Subaccount of the 2020 Redemption Account from the prepayment of Series 2020 Assessments and from amounts deposited into the 2020 Prepayment Subaccount from the 2020 Reserve Account; or
- (iii) When the amount on deposit in the 2020 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all Bonds then Outstanding as otherwise provided in the Supplemental Indenture.

EXHIBIT C
BOND COUNSEL'S SUPPLEMENTAL OPINION

_____, 2020

Board of Supervisors
Lakewood Ranch Stewardship District
Manatee County, Florida

MBS Capital Markets, LLC
Winter Park, Florida

\$_____
LAKEWOOD RANCH STEWARDSHIP DISTRICT
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project – Phase 2B)

Ladies and Gentlemen:

We have served as Bond Counsel to the Lakewood Ranch Stewardship District (the "Issuer") in connection with the issuance by the Issuer of its \$_____ Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "Series 2020 Bonds"). The Series 2020 Bonds are being issued pursuant to Resolution No. 2005-16 adopted by the Board of Supervisors of the Issuer (the "Board") on August 23, 2005, as supplemented and amended by Resolution No. 2020-___ duly adopted by the Board on September 25, 2020 (collectively, the "Resolution"). The Series 2020 Bonds are being further issued under and are secured by a Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture"), as supplemented with respect to the Series 2020 Bonds by a Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 (the "Thirty-First Supplement" and, together with the Master Indenture, the "Indenture"), each by and between the Issuer and U.S. Bank National Association, as trustee.

All terms used herein in capitalized form and not otherwise defined herein shall have the same meanings as ascribed to them in the Indenture.

The opinions expressed herein are supplemental to and are subject to all qualifications, assumptions, limitations, caveats and reliances contained in our bond counsel opinion rendered to the Issuer as of the date hereof pertaining to the Series 2020 Bonds (the "Bond Counsel Opinion"). MBS Capital Markets, LLC may rely on the Bond Counsel Opinion as though the Bond Counsel Opinion were addressed to MBS Capital Markets, LLC.

(1) We have reviewed the statements contained in the Limited Offering Memorandum under the sections "DESCRIPTION OF THE 2020 BONDS", (other than the subsection, "Book-Entry Only System"), "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2020 BONDS," (excluding statements contained in the subsections "Agreement for Assignment of

Development Rights," "True-Up Agreement" and "Completion Agreement," as to which no view is expressed) "COLLECTION OF SERIES 2020 ASSESSMENTS," and "FUNDS AND ACCOUNTS" and believe that insofar as such statements purport to summarize certain provisions of the Indenture and the Series 2020 Bonds, such statements are accurate summaries of the provisions purported to be summarized. We have also reviewed the information contained in the Limited Offering Memorandum under the section captioned "TAX MATTERS" and believe that such information is accurate.

Other than as set forth above, we express no opinion with respect to the accuracy, completeness, fairness or sufficiency of the Limited Offering Memorandum, the statistical or financial data contained therein, or any exhibit or attachments thereto or with respect to DTC and its book-entry system.

(2) The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Indenture is exempt from qualification under the Trust Indenture Act of 1939, as amended.

This opinion letter may be relied upon by you only and only in connection with the transaction to which reference is made above and may not be used or relied upon by any other person for any purposes whatsoever without our prior written consent. The delivery of this letter to a non-client does not create an attorney-client relationship.

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

Respectfully submitted,

BRYANT MILLER OLIVE P.A.

EXHIBIT D

October ___, 2020

Lakewood Ranch Stewardship District
Manatee and Sarasota Counties, Florida

MBS Capital Markets, LLC
Winter Park, Florida

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

**Re: \$_____ Lakewood Ranch Stewardship District Special
Assessment Revenue Bonds, Series 2020 (Northeast Sector Project –
Phase 2B)**

Ladies and Gentlemen:

[To be provided]

Very truly yours,

HOPPING GREEN & SAMS, P.A.

For the Firm

EXHIBIT E

CERTIFICATE OF ISSUER'S CONSULTING ENGINEER

October ____, 2020

Lakewood Ranch Stewardship District
Manatee County, Florida

MBS Capital Markets, LLC
Winter Park, Florida

U.S. Bank National Association
Orlando, Florida

Re: \$ _____ Lakewood Ranch Stewardship District Special Assessment
Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the
"Bonds")

Ladies and Gentlemen:

The undersigned serves as the Consulting Engineer to Lakewood Ranch Stewardship District (the "Issuer"). This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract dated _____, 2020 between the Issuer and MBS Capital Markets, LLC relating to the sale of the above-captioned Bonds (the "Bonds"). Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract or in the Limited Offering Memorandum dated October __, 2020 relating to the Bonds (the "Limited Offering Memorandum").

1. All governmental permits and approvals required to commence and complete construction, acquisition and installation of Northeast Sector Project, including but not limited to Northeast Sector Project – Phase 2B, have been obtained or can reasonably be obtained in the ordinary course. Northeast Sector Project – Phase 2B is expected to be completed by _____, 20____.

2. The information contained in the Preliminary Limited Offering Memorandum dated _____, 2020 and the Limited Offering Memorandum under the caption "THE NORTHEAST SECTOR PROJECT", and in the Engineer's Report (the "Engineer's Report") included as appendix to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum did not, and does not, to the best of our knowledge, 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. The Engineer's Report was prepared in accordance with generally accepted engineering practices. We consent to the inclusion of the Engineer's Report in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and to the references to our firm therein.

3. The plans and specifications for the Northeast Sector Project – Phase 2B have been approved by all regulatory bodies required to approve them (such regulatory bodies consisting of those referred to in Engineer's Report) or such approval can reasonably be expected to be obtained.

4. All water and sewer utilities necessary to serve the lands specially benefited by Northeast Sector Project – Phase 2B as described in the Limited Offering Memorandum, are, or will be, available as and when needed.

5. The portion of the Northeast Sector Project – Phase 2B heretofore constructed has been constructed in a sound workmanlike manner and in accordance with industry standards and the plans and specifications therefor.

6. The purchase price to be paid by the Issuer for any portion of the Northeast Sector Project – Phase 2B being acquired by the Issuer is no more than the lesser of: (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements.

STANTEC CONSULTING SERVICES INC.

By: _____

Title: _____

EXHIBIT F
CERTIFICATE OF LANDOWNER

_____, 2020

Lakewood Ranch Stewardship District
c/o PFM Financial Consultants LLC., as District Manager
Orlando, Florida

MBS Capital Markets, LLC
Winter Park, Florida

U.S. Bank National Association
Fort Lauderdale, Florida

Re: \$_____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "Bonds")

The undersigned, a duly authorized representative of SMR Northeast, LLC, a Florida limited liability company (the "Landowner") hereby certifies that:

1. This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract (the "Bond Purchase Contract") dated October ___, 2020, between the Lakewood Ranch Stewardship District (the "District") and MBS Capital Markets, LLC relating to the sale of the above referenced Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract.

2. The Landowner is a Florida limited liability company organized, existing and in good standing under the laws of the State of Florida and has the power to conduct its business as described in the Limited Offering Memorandum.

3. The information contained in the Preliminary Limited Offering Memorandum dated _____, 2020 and the Limited Offering Memorandum dated October ___, 2020, each relating to the Bonds, under the captions or subcaptions "INTRODUCTION" (to the extent it describes the Landowner, the Northeast Sector or the Northeast Sector Project, "BONDHOLDERS' RISKS" (to the extent it describes the Landowner, Northeast Sector or the Northeast Sector Project) – "LAKEWOOD RANCH" "NORTHEAST SECTOR" – "LITIGATION" – The Landowner, and "THE NORTHEAST SECTOR PROJECT" is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading. The Landowner agrees that if between the date hereof and the earlier of: (i) ninety (90) days from the end of the "Underwriting Period" as defined in Securities Exchange Commission Rule 15c2-12 (17 CFR 240.15c2-12) ("Rule 15c2-12"); or (ii) the time when the Limited Offering Memorandum is available to any person from a nationally recognized municipal securities information repository (but in no event less than twenty-five (25) days

following the end of the Underwriting Period), any event shall occur of which the Landowner shall have actual knowledge, which might or would cause the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact relating to the Landowner or the Northeast Sector or the Northeast Sector Project, or to omit to state a material fact relating to the Landowner or the Northeast Sector or the Northeast Sector Project necessary to make the statements therein, in the circumstances under which were made, not misleading, the Landowner shall notify the Underwriter thereof, and, if in the opinion of the Underwriter such event requires the preparation and publication of a supplement or amendment to the Limited Offering Memorandum, the Landowner will, at its expense, supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter.

4. Each of the Ancillary Documents to which the Landowner is a party of and the Declaration of Consent and the Continuing Disclosure Agreement (collectively, the "Landowner Documents"), is a valid and binding obligation of the Landowner, enforceable against the Landowner in accordance with its terms, subject to the effect of bankruptcy and similar laws and general equitable principles that may limit enforcement. To the knowledge of the undersigned, the execution and delivery by the Landowner of the Landowner Documents does not violate the Landowner organizational documents or any judgment, order, writ, injunction or decree binding on Landowner or any indenture, agreement, or other instrument to which the Landowner is a party. The Landowner has reviewed and approved the Landowner Documents.

5. All information provided by the Landowner to the Underwriter and/or Underwriter's counsel in response to the Underwriter's due diligence request in connection with the Bonds or provided to the Underwriter for distribution to potential purchasers of the Bonds or provided directly to such potential purchasers by the Landowner is true and correct in all material respects and does not contain any untrue statement of material fact or omit to state a material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading. There is no litigation threatened or pending against the Landowner which may result in any material adverse change in the business, properties, assets or financial condition of the Landowner.

6. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Landowner that would have a material and adverse impact on the value of the Northeast Sector or the ability of Landowner to develop such lands which has not been disclosed to the Underwriter.

7. The Landowner consents to the levy of the Series 2020 Assessments on the lands in the District owned by Landowner. The levy of the Series 2020 Assessments on the lands in the District owned by Landowner will not conflict with or constitute a breach of or default under any agreement, mortgage, lien or other instrument to which the Landowner is a party or to which its property or assets are subject.

8. There is no litigation pending or, to our knowledge, threatened which would prevent or prohibit the development of the Northeast Sector and the Northeast Sector Project – Phase 2B in accordance with the description thereof in the Limited Offering Memorandum and the Consulting Engineers' Report annexed thereto. The Landowner is proceeding in its normal course of business to develop the Northeast Sector. Except as otherwise disclosed in the Limited Offering

Memorandum, there is no action, suit or proceedings 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 Landowner (or any basis therefor) (a) seeking to restrain or enjoin the execution or delivery of Landowner Documents, (b) contesting or affecting the validity or enforceability of the Landowner Documents, or any and all such other agreements or documents as may be required to be executed, or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence, of the Landowner, or of the Landowner's business, assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowner or the Northeast Sector as described in the Limited Offering Memorandum.

9. The Landowner 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 Landowner 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. The Landowner is not insolvent.

10. There are no mortgages or similar liens on the real property owned or to be owned by the Landowner within the area subject to the Series 2020 Assessments as of the date hereof other than as disclosed in the Limited Offering Memorandum.

11. All 2019 and prior years taxes relating to the lands in the District owned by the Landowner have been paid and there are no real estate taxes currently due with respect to such lands which are unpaid.

12. Nothing has occurred which would lead the Landowner to believe that all water and sewer utilities necessary to serve the Northeast Sector, as such is described in the Limited Offering Memorandum, are, or will be, available as and when needed. The lands in the Northeast Sector have the appropriate land use, zoning and other governmental approvals and development agreements to permit the development thereof as contemplated by the Limited Offering Memorandum and the Consulting Engineer's Report attached thereto. Except as otherwise disclosed in the Limited Offering Memorandum, all material conditions of the governmental development approvals and agreements applicable to the land in the Northeast Sector have been complied with as of the date hereof or will be complied with in due course and there are no conditions therein that must be complied with in the future that would limit the development of the Northeast Sector (including infrastructure improvements needed for the Northeast Sector not included in the Northeast Sector Project – Phase 2B) as described in the Limited Offering Memorandum.

13. The Landowner acknowledges that it will have no rights under Chapter 170, Florida Statutes, as amended, to prepay, without interest, the Series 2020 Assessments imposed on lands in the District owned by it within thirty (30) days following completion of the Northeast Sector Project – 2B and acceptance thereof by the District.

14. The Landowner acknowledges that the Bonds have the debt service requirements set forth under the heading "DEBT SERVICE REQUIREMENTS FOR 2020 BONDS" in the

Limited Offering Memorandum and that the Series 2020 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.

15. The Landowner has complied as described in the Limited Offering Memorandum with all continuing disclosure commitments undertaken by it pursuant to Rule 15c2-12 prior to the date hereof.

16. All contracts for sale entered into by Landowner for real property to be encumbered by Series 2020 Assessments have contained the disclosure language required by Chapter 2005-338(6)(28) Laws of Florida.

17. The consummation of the transactions described in the Limited Offering Memorandum, including the execution and delivery of the Landowner Documents and the performance thereof, does not on the date hereof and will not at the time of such consummation, conflict with or constitute on the part of the Landowner a breach or violation of the terms and provisions of, or constitute a default under any existing agreement or indenture, mortgage, lease, deed of trust, note or other instrument, to which the Landowner is subject or by which it or its properties are or may be bound. The consummation of the transactions described in the Limited Offering Memorandum, applicable to the Landowner does not, on the date hereof, and will not at the time of such consummation, to the Landowner's knowledge, conflict with or constitute on the part of the Landowner a breach or violation of the terms and provisions of, or constitute a default under any existing constitution, laws, court or administrative rule or regulations, to which it is subject, or any decree, order or judgment to which it is a party or by which it is bound in force and effect on the date hereof.

18. The Landowner is not in material default under the Landowner Documents or any resolution, agreement or indenture, mortgage, lease, deed of trust, note or other instrument to which the Landowner is subject, or by which its properties are or may be bound, which would have a material adverse effect on the Northeast Sector.

19. The Landowner is complying in all material respects with all provisions of applicable law in all material matters relating to the Northeast Sector and its undertaking as described in the Limited Offering Memorandum, including applying for all remaining necessary permits and approvals and modifications thereof as contemplated by the Limited Offering Memorandum and the Consulting Engineer's Report attached thereto. The Landowner hereby certifies that: (a) the lands in the Northeast Sector have the appropriate governmental approvals to permit the development of the Northeast Sector; (b) the Landowner has not taken any action that would cause it to be in default of and has no knowledge of any default under, any zoning condition, permit or development agreement which would adversely affect the District's ability to complete development of the Northeast Sector Project as described in the Limited Offering Memorandum and all appendices thereto or the Landowner's ability to complete the Northeast Sector as described in the Limited Offering Memorandum and all appendices thereto; and (c) assuming compliance with the material conditions of the governmental orders, permits and approvals applicable to the Northeast Sector, all of which conditions are within the control of the Landowner, the Northeast Sector will be able to be developed as described in the Limited Offering Memorandum.

20. As of the date hereof, there has been no material adverse change in the business, properties, assets or financial condition of the Landowner which has not been disclosed to the Underwriter.

21. Pursuant to the terms of that certain Completion Agreement between the District and the Landowner, the Landowner agrees to fund all District capital improvements described in the Engineer's Report and needed for the Northeast Sector not financed by the District.

22. The Landowner is not aware of any condition related to the Northeast Sector which currently requires, or is reasonably expected to require in the foreseeable future, investigation or remediation under any applicable federal, state or local governmental laws or regulations relating to the environment.

23. The Landowner is not in default of any obligations to pay special assessments.

24. There has been no action taken by or omitted by the Landowner that impairs the contemplated transactions by the District with respect to the Bonds, including: (a) the issuance and sale of the Bonds upon the terms set forth in the Bond Purchase Contract; (b) the approval of the Limited Offering Memorandum and the signing of the Limited Offering Memorandum by a duly authorized officer of the District; (c) the acquisition and construction of the Northeast Sector Project – Phase 2B (as described in the Limited Offering Memorandum); and (d) the execution, delivery and receipt of the Bond Purchase Contract, the Bonds, the Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture"), and the Thirty-First Supplemental Trust Indenture, dated as of October 1, 2020 and together with the Master Indenture, the "Indenture"), the Continuing Disclosure Agreement, any of the Ancillary Documents and any and all such other agreements or documents as may be required to be executed, delivered and received by the District in order to carry out, give effect to, and consummate the transactions contemplated by the Limited Offering Memorandum and the Indenture. The Landowner acknowledges and consents to those provisions of the Bond Purchase Contract which reference it.

25. The Landowner recognizes that the certifications, representations and warranties provided by the Landowner in this certificate and by its agents pursuant to the Bond Purchase Contract (collectively, the "Certifications") serve as a material inducement for the District to issue the Bonds which will provide infrastructure, services and facilities benefiting the property within the District's boundaries, including property within the Northeast Sector, and for the Underwriter to underwrite and purchase the Bonds. The Landowner hereby holds the District and the Underwriter harmless from and against any and all proceedings, judgments, obligations, losses, damages, deficiencies, settlements, assessments, charges, costs and expenses (including without limitation reasonable attorneys' fees, paralegals' fees, investigation expenses, court costs, interest and penalties through all negotiations, trial and appellate levels) arising out of or in connection with, or caused directly or indirectly by, any breach or failure of any of the Certifications or any of such Certifications being incorrect or misleading in any material respect or having omitted any information necessary to make such Certifications not misleading.

Capitalized terms not defined herein have the meaning ascribed to them in the Bond Purchase Contract for the Bonds.

Dated: _____, 2020.

SMR NORTHEAST, LLC,
a Florida limited liability company

By: _____

EXHIBIT G

[Form of Opinion of Counsel to the Landowner]

_____, 2020

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

Re: \$ _____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "Bonds")

Ladies and Gentlemen:

I am counsel to SMR Northeast, LLC, a Florida limited liability company (the "Landowner"). I have served as counsel to the Landowner in connection with the issuance by Lakewood Ranch Stewardship District (the "District") of the above-referenced Bonds as described in the District's Preliminary Limited Offering Memorandum, dated _____, 2020 (the "Preliminary Limited Offering Memorandum") and the Limited Offering Memorandum dated October __, 2020 (the "Limited Offering Memorandum"). Unless otherwise expressly defined herein, capitalized terms used herein have the respective meanings assigned to them in the Limited Offering Memorandum or in the Bond Purchase Contract for the Bonds (the "Contract of Purchase").

In our capacity as counsel to the Landowner, we have examined such documents and have made such examination of laws as we have deemed necessary or appropriate in rendering the opinions set forth below.

Based on the foregoing, we are of the opinion that:

A. The Landowner is a Florida limited partnership, duly organized and lawfully existing and duly qualified to do business in the State of Florida. The Landowner has all requisite power and authority to conduct its business as described in the Limited Offering Memorandum including the development of the Northeast Sector and to enter into the Landowner's Documents hereinafter described.

B. The Landowner has lawful authority to undertake the development of the Northeast Sector as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and I am not aware of any action taken or omitted by the Landowner that impairs the completion of the Northeast Sector.

C. To my knowledge, there has been no action taken by or omitted by the Landowner that prevents any of the following transactions of the District; (a) the issuance and sale of the Bonds

upon the terms set forth in the Contract of Purchase and in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum; (b) the approval of the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum by a duly authorized officer of the District; (c) the acquisition and construction of Northeast Sector Project – 2A; and (d) the execution, delivery and receipt of the Financing Documents and the Ancillary Documents. Such Ancillary Documents, the Declaration of Consent and the Continuing Disclosure Agreement and all the documents executed and delivered by the Landowner in connection with the decision of the Bonds are collectively referred to as the “Landowner Documents”.

D. The consummation of the transactions described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum do not on the date hereof and will not at the time of such consummation, conflict with or constitute on the part of the Landowner a breach or violation of the terms and provisions of, or constitute a default under any existing agreement, indenture, mortgage, lease, deed of trust, not or other instrument to which the Landowner is subject or by which it or its properties are or may be bound. To my knowledge, the consummation by the Landowner of the transactions described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum applicable to the Landowner do not on the date hereof and will not at the time of such consummation, conflict with or constitute a default under its organizational documents or under any existing constitution, laws, court or administrative rule or regulation, to which the Landowner is subject, or any decree, order or judgment to which it is party or by which it is bound in force and effect on the date hereof.

E. To my knowledge, the Landowner is not in default under any other resolution, agreement, development agreement, zoning condition, permit, indenture, mortgage, lease, deed of trust, note or other instrument to which the Landowner is subject or by which it or its properties are or may be bound.

F. Based upon inquiry with the Clerk of the Courts for Manatee County through _____, 2020, there was at that time no action, suit or proceedings at law or in equity by or before any such courts, public board or body pending or threatened against the Landowner (a) seeking to restrain or enjoin the issuance or delivery of the Bonds or the application of the proceeds thereof, or the levy or collection of the Series 2020 Assessments, (b) contesting or affecting the authority for the issuance of the Bonds or the validity or enforceability of the Bonds, the Financing Documents, the Landowner Documents or the transactions contemplated thereunder, (c) contesting or affecting the establishment or existence, of the Landowner or any of its officers or employees, its assets, property or conditions, financial or otherwise, or contesting or affecting any of the powers of the Landowner, including its power to develop the Northwest Sector and its ownership interest in Northwest Sector which could if determined adversely to the Landowner have a material adverse effect upon the construction of the Northeast Sector by the Landowner or the District, or (d) which, if determined adversely to the Landowner, would have a material adverse impact on the ability of the Landowner to sell lands in the Northeast Sector as contemplated by the Limited Offering Memorandum.

G. The Landowner has complied with all provisions of applicable law in all matters relating to the Northeast Sector and its undertaking as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Indenture including receiving all permits, consents or licenses and making all notices to or filings with governmental

authorities required as of this date, except as set forth in the Limited Offing Memorandum. The Northeast Sector lands are completely vested and zoned for their intended use. All government permits and approvals, as described in the Limited Offering Memorandum, including the consulting engineer's report attached thereto, have been received or are expected to be received as needed. We have no reason to believe that any permits, consent and licenses required to complete the Northeast Sector as described in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and the Indenture will not be obtained as required.

H. To my knowledge, the information contained in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the heading "THE NORTHEAST SECTOR PROJECT," "LAKEWOOD RANCH," "NORTHEAST SECTOR", "LITIGATION – The Landowner," and "CONTINUING DISCLOSURE," as it relates to the Landowner" accurately and fairly present the information purported to be shown and contains no untrue statement of material fact or omits to state any material fact necessary to make the statements, in light of the circumstances under which they were made, not misleading as of their respective dates and as of the date hereof.

I. In reliance upon the Ownership and Encumbrance Report No. ____ dated ____ prepared by _____, at that time, all of the assessable properties that are owned by the Landowner were free and clear of any liens or encumbrances (without regard to priority of lien, as to which no opinion is expressed) that would impede the construction of Northeast Sector Project – Phase 2B and the Northwest Sector as contemplated in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum, and all appendices. The levy of the Series 2020 Assessments on the property in the District subject thereto and owned by the Landowner will not conflict with, constitute a breach of, or default under any indenture or other mortgage instrument relative to the property in the District which the Landowner is a party. There are not mortgages on the property subject to the Series 2020 Assessments owned by the Landowner, other than as described in the Limited Offering Memorandum.

J. Assuming due authorization and execution by the other parties thereto, the Landowner Documents constitute legal, valid and binding obligations of the Landowner, enforceable in accordance with their respective terms (except to the extent that such enforceability may be limited by bankruptcy, insolvency, reorganization and similar law affecting creditors, rights generally and general principles of equity).

This opinion is solely for the benefit of the addressees and this opinion may not be relied upon in any manner, nor used, by any other person or entities. This opinion is as of the date set forth above and we assume no duty to subsequently update the opinion.

Whereas herein we have issued an opinion as to enforceability of a document, such opinion is subject to limitations imposed by bankruptcy, insolvency, reorganization, moratorium or similar laws relating to or affecting creditor's rights generally and general principles of equity (regardless of whether such enforceability is considered in proceeding in equity or a law) and to the exercise of judicial discretion in appropriate cases.

The opinion or statements expressed above are solely on the laws of Florida and of the United States of America. Accordingly, I express no opinion nor make any statements regarding the effect or application of the laws of any other state or jurisdiction.

Very truly yours,

EXHIBIT H

CERTIFICATE OF CONSULTING ENGINEER

_____, 2020

Lakewood Ranch Stewardship District
Manatee County, Florida

MBS Capital Markets, LLC
Winter Park, Florida

U.S. Bank National Association
Fort Lauderdale, Florida

Re: \$ _____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "2020 Bonds")

Ladies and Gentlemen:

The undersigned has been engaged to provide engineering services to SMR NORTHEAST, LLC (the "Landowner ") in connection with the development known as Northeast Sector located within the boundaries of Lakewood Ranch Stewardship District (the "Issuer"). This Certificate is furnished pursuant to Section 9 of the Bond Purchase Contract dated _____, 2020, between the Issuer and MBS Capital Markets, LLC relating to the sale of the above-captioned Bonds. Terms used herein in capitalized form and not otherwise defined herein shall have the meaning ascribed thereto in said Bond Purchase Contract or in the Limited Offering Memorandum dated October ___, 2020 relating to the Bonds (the "Limited Offering Memorandum").

1. The information under the subcaptions "NORTHEAST SECTOR – Permitting" and "NORTHEAST SECTOR – Environmental Matters" in the Preliminary Limited Offering Memorandum dated _____, 2020 and the Limited Offering Memorandum is true and correct in all material respects and does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

2. To the best of our knowledge, after reasonable investigation, the governmental permits and approvals currently required to complete the Northeast Sector Project as described in the Limited Offering Memorandum and to complete the infrastructure needed to serve the Northeast Sector are in place or are reasonably obtainable in the ordinary course. The infrastructure needed for the Northeast Sector Project not included in Northeast Sector Project – Phase 2B being undertaken by the Issuer is expected to be complete by _____, 20___. All material conditions of the land use and zoning ordinances and other governmental development orders, approvals, and agreements applicable to the Northeast Sector Project have been complied with as of the date hereof and there are no conditions therein that must be complied with in the future that would limit

the development thereof (including internal subdivision improvements and master infrastructure) as described in the Limited Offering Memorandum.

3. All water and sewer utilities necessary to serve the Northeast Sector as such development is described in the Limited Offering Memorandum, are, or will be, available as and when needed.

STANTEC CONSULTING SERVICES, INC.

By: _____

Title:

EXHIBIT I

UNDERWRITERS CERTIFICATE

The undersigned, acting on behalf of MBS Capital Markets, LLC, (the "Underwriter") as the "Underwriters"), for the \$_____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "Series 2020 Bonds"), hereby certifies to the sale and issuance of the Series 2020 Bonds:

1. Sale of Bonds. As of the date of this certificate, for each maturity of the Series 2020 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 Lakewood Ranch Stewardship District.

(b) Maturity means Series 2020 Bonds with the same credit and payment terms. Series 2020 Bonds. Series 2020 Bonds with different maturity dates, or Series 2020 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) 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 Series 2020 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).

The Issuer may rely on the statements made herein in connection with making the representations set forth in the Federal Tax Certificate to which this Certificate is attached and in its efforts to comply with the conditions imposed by the Internal Revenue Code of 1986, as amended (the "Code"). Bond Counsel may also rely on this Certificate for purposes of its opinion regarding the treatment of interest on the Series 2020 Bonds as excludable from gross income for federal income tax purposes. Except as expressly set forth above, the certifications set forth therein may not be relied upon or used by any third party or for any other purpose. Notwithstanding anything set forth herein, the Underwriter is not engaged in the practice of law. Accordingly, the Underwriter makes no representation as to the legal sufficiency of the factual matters set forth herein. The Underwriter does not warrant the validity of the representations set forth above for purposes of Section 103 and 141 through 150 of the Code or make any representation as to the legal sufficiency of the factual matters set forth herein.

Dated: _____, 2020.

MBS CAPITAL MARKETS, LLC

By: _____
Title: Managing Partner

EXHIBIT J

CERTIFICATE OF DISTRICT MANAGER

We have acted as district manager to Lakewood Ranch Stewardship District (the "District") in connection with the sale and issuance by the District of its \$ _____ aggregate principal amount of Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project – Phase 2B) (the "Series 2020 Bonds") and have participated in the preparation of the Preliminary Limited Offering Memorandum dated _____, 2020 and the final Limited Offering Memorandum dated _____, 2020, related to the Series 2020 Bonds (collectively, the Limited Offering Memoranda").

1. As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as it relates to the District, the Northeast Sector Project – Phase 2B and any other information provided by us for inclusion therein 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.

2. The information set forth in the Limited Offering Memoranda under the subcaptions "THE DISTRICT", "ASSESSMENT METHODOLOGY," "FINANCIAL STATEMENTS," "LITIGATION – The District," "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," (as it relates to the District), "MUNICIPAL ADVISOR", "DISCLOSURE OF MULTIPLE ROLES," "CONTINGENT FEES," and APPENDIX F, "AUDITED FINANCIAL STATEMENTS OF THE DISTRICT" did not as of the respective dates of the Limited Offering Memoranda 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.

3. As District Manager and registered agent for the District, 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 Series 2020 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 Series 2020 Bonds, or the existence or powers of the District.

Dated: _____, 2020.

PFM GROUP CONSULTING LLC

By: _____
Title: _____

EXHIBIT C

FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM DATED _____, 2020

NEW ISSUE - BOOK-ENTRY ONLY LIMITED OFFERING

NOT RATED

In the opinion of Bond Counsel, assuming compliance by the District with certain covenants, under existing statutes, regulations, and judicial decisions, the interest on the 2020 Bonds will be excluded from gross income for federal income tax purposes of the holders thereof and will not be an item of tax preference for purposes of the federal alternative minimum tax. See "TAX MATTERS" herein for a description of other tax consequences to holders of the 2020 Bonds.

\$ _____ *
**LAKWOOD RANCH STEWARDSHIP DISTRICT
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project - Phase 2B)**

Dated: Date of Delivery

Due: May 1, as set forth below

The Lakewood Ranch Stewardship District (the "District") is issuing its Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) (the "2020 Bonds") in fully registered form, without coupons, in denominations of \$5,000 or any integral multiple thereof; provided that the 2020 Bonds will be deliverable to the initial purchasers in principal amounts of \$100,000 or any integral multiple of \$5,000 in excess thereof. The 2020 Bonds, when issued, will be registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the 2020 Bonds will be made in book entry form and purchasers of beneficial interests in the 2020 Bonds will not receive physical 2020 Bond certificates. For so long as the book entry system is maintained, the principal of, premium, if any, and interest on the 2020 Bonds will be paid from the sources described herein by U.S. Bank National Association, as trustee (the "Trustee"), to DTC as the registered owner thereof. Disbursement of such payments to the DTC Participants is the responsibility of DTC and disbursement of such payments to the beneficial owners is the responsibility of the Direct Participants and Indirect Participants, as more fully described herein. Any purchaser, as a beneficial owner of a 2020 Bond, must maintain an account with a broker or dealer who is, or acts through, a Direct Participant in order to receive payment of the principal of, premium, if any, and interest on such 2020 Bond. Interest on the 2020 Bonds calculated on the basis of a 360 day year comprised of twelve thirty day months is payable on each May 1 and November 1 commencing May 1, 2020. See "DESCRIPTION OF THE 2020 BONDS" herein.

Proceeds of the 2020 Bonds will be used to (i) retire a portion of the District's Bond Anticipation Note, Series 2017 (Northeast Sector Project), (ii) finance the acquisition, construction, installation and equipping of the Northeast Sector Project - Phase 2B, (iii) fund the 2020 Reserve Account in an amount equal to the initial 2020 Reserve Account Requirement, (iv) capitalize interest on the 2020 Bonds through May 1, 2021 and (v) pay costs of issuance of the 2020 Bonds. See "ESTIMATED SOURCES AND USES OF PROCEEDS" herein.

The District is a local unit of special purpose government and an independent special district of the State of Florida, created pursuant to Chapter 2005-338, Laws of Florida, as amended (the "Act"). The 2020 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of September 1, 2005 (the "Master Indenture") by and between the District and the Trustee as supplemented by a Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 from the District to the Trustee (the "Supplemental Indenture" together with the Master Indenture, the "Indenture"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. The principal of and interest on the 2020 Bonds shall be payable solely from, and shall be secured solely by the revenues derived by the District from the Series 2020 Assessments (the "2020 Pledged Revenues") and the Funds and Accounts (except for the 2020 Rebate Account and the 2020 Cost of Issuance Account) established by the Supplemental Indenture (the "2020 Pledged Funds"). The 2020 Pledged Revenues and 2020 Pledged Funds collectively comprise the "2020 Trust Estate."

The 2020 Bonds are subject to optional, mandatory and extraordinary mandatory redemption at the times, in the amounts, and at the redemption price more fully described herein under the caption "DESCRIPTION OF THE 2020 BONDS – Redemption Provisions."

NEITHER THE 2020 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA. THE 2020 BONDS AND THE INTEREST 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 2020 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2020 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2020 PLEDGED REVENUES AND THE 2020 PLEDGED FUNDS PLEDGED TO THE 2020 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

Investment in the 2020 Bonds poses certain risks and the 2020 Bonds are not a suitable investment for all potential investors. See "INTRODUCTION", "BONDHOLDERS' RISKS" and "SUITABILITY FOR INVESTMENT" herein. The Underwriter is limiting this offering of the 2020 bonds to accredited investors within the meaning of the rules of the Florida Department of Financial Services; the limitation of the initial offering of 2020 Bonds to Accredited Investors does not denote restrictions on transfer in any secondary market for the 2020 Bonds. The 2020 Bonds are not credit enhanced, are not rated and no application has been made for a rating or credit enhancement with respect to the 2020 Bonds, nor is there any reason to believe that the District would have been successful in obtaining either credit enhancement for the 2020 Bonds or a rating for the 2020 Bonds had application been made. Potential investors are solely responsible for evaluating the merits and risks of an investment in the 2020 Bonds.

This cover page contains certain information for quick reference only. It is not a summary of the 2020 Bonds. Investors must read the entire Limited Offering Memorandum to obtain information essential to the making of an informed investment decision.

MATURITY SCHEDULE

\$ _____ - _____ % Term Bond due May 1, ____; Price: _____, CUSIP _____ **
\$ _____ - _____ % Term Bond due May 1, ____; Price: _____, CUSIP _____ **
\$ _____ - _____ % Term Bond due May 1, ____; Price: _____, CUSIP _____ **
\$ _____ - _____ % Term Bond due May 1, ____; Price: _____, CUSIP _____ **

The 2020 Bonds are offered for delivery when, as and if issued by the District and accepted by the Underwriter, subject to the receipt of the opinion of Bryant Miller Olive P.A., Tampa, Florida, Bond Counsel, as to the validity of the 2020 Bonds and the excludability of interest thereon from gross income for federal income tax purposes. Certain legal matters will be passed upon for the Underwriter by its counsel, Akerman LLP, Orlando, Florida, for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida, for the Landowner (hereinafter defined) by its in-house counsel, and for the Trustee by Holland & Knight, LLP, Miami, Florida. PFM Financial Advisors LLC is serving as the District's Independent Registered Municipal Advisor in connection with the issuance of the 2020 Bonds. It is expected that the 2020 Bonds will be delivered in book entry form through the facilities of DTC on or about _____, 2020.

MBS Capital Markets, LLC

Dated: _____, 2020

* Preliminary, subject to change.

** The District is not responsible for the use of the 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.

LAKWOOD RANCH STEWARDSHIP DISTRICT

BOARD OF SUPERVISORS

Rex Jensen, Chair
Tony Chiofalo, Vice Chair/Assistant Secretary
Scott Almand, Treasurer
Jim Schier, Assistant Secretary
Ed Hunzeker, Assistant Secretary

DISTRICT MANAGER

PFM Group Consulting LLC
Orlando, Florida

COUNSEL TO THE DISTRICT

Hopping Green & Sams, P.A.
Tallahassee, Florida

DISTRICT ENGINEER

Stantec Consulting Services Inc.
Sarasota, Florida

BOND COUNSEL

Bryant Miller Olive P.A.
Tampa, Florida

METHODOLOGY CONSULTANT AND MUNICIPAL ADVISOR

PFM Financial Advisors LLC
Orlando, Florida

NO DEALER, BROKER, SALESPERSON OR OTHER PERSON HAS BEEN AUTHORIZED BY THE DISTRICT TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS, OTHER THAN THOSE CONTAINED IN THIS LIMITED OFFERING MEMORANDUM, AND IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE DISTRICT. THIS LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE AN OFFER TO SELL OR THE SOLICITATION OF AN OFFER TO BUY ANY OF THE 2020 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE 2020 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 LANDOWNER AND SMR (AS HEREINAFTER DEFINED), THE DISTRICT, THE DEPOSITORY TRUST COMPANY, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF OR THE DISTRICT WITH RESPECT TO INFORMATION PROVIDED BY OTHERS OR THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, ITS RESPONSIBILITIES TO INVESTORS UNDER THE FEDERAL SECURITIES LAWS AS APPLIED TO THE FACTS AND CIRCUMSTANCES OF THIS TRANSACTION, BUT THE UNDERWRITER DOES NOT GUARANTEE THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION. THE INFORMATION AND EXPRESSIONS OF OPINION HEREIN CONTAINED ARE SUBJECT TO CHANGE WITHOUT NOTICE AND NEITHER THE DELIVERY OF THIS LIMITED OFFERING MEMORANDUM, NOR ANY SALE MADE HEREUNDER, SHALL, UNDER ANY CIRCUMSTANCES, CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE DISTRICT OR THE LANDOWNER OR SMR OR IN THE STATUS OF THE NORTHEAST SECTOR OR THE NORTHEAST SECTOR PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF. THE TRUSTEE HAS NOT PARTICIPATED IN THE PREPARATION OF THIS LIMITED OFFERING MEMORANDUM AND MAKES NO REPRESENTATION WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF ANY OF THE MATERIAL CONTAINED IN THIS LIMITED OFFERING MEMORANDUM. THE TRUSTEE HAS NO DUTY OR OBLIGATION TO PAY THE 2020 BONDS FROM ITS OWN FUNDS, ASSETS OR CORPORATE CAPITAL OR TO MAKE INQUIRY REGARDING, OR INVESTIGATE THE USE OF, AMOUNTS DISBURSED FROM THE TRUST.

THE 2020 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 2020 BONDS IN ACCORDANCE WITH THE APPLICABLE SECURITIES LAW PROVISIONS OF ANY JURISDICTIONS WHEREIN THESE SECURITIES HAVE BEEN OR WILL BE REGISTERED, QUALIFIED OR EXEMPTED SHOULD NOT BE REGARDED AS A RECOMMENDATION THEREOF. NEITHER THE DISTRICT, MANATEE COUNTY, THE STATE OF FLORIDA, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE 2020 BONDS, UPON THE PROBABILITY OF ANY EARNINGS THEREON OR UPON THE ACCURACY OR ADEQUACY OF THIS LIMITED OFFERING MEMORANDUM.

"FORWARD-LOOKING STATEMENTS" ARE USED IN THIS DOCUMENT BY USING FORWARD LOOKING WORDS SUCH AS "MAY," "WILL," "SHOULD," "INTENDS," "EXPECTS," "BELIEVES," "ANTICIPATES," "ESTIMATES," OR OTHERS. THE READER IS CAUTIONED THAT FORWARD-LOOKING STATEMENTS ARE SUBJECT TO A VARIETY OF UNCERTAINTIES THAT COULD CAUSE ACTUAL RESULTS TO DIFFER FROM THE PROJECTED RESULTS. THOSE RISKS AND UNCERTAINTIES INCLUDE GENERAL ECONOMIC AND BUSINESS CONDITIONS, CONDITIONS IN THE FINANCIAL MARKETS AND REAL ESTATE MARKET, THE DISTRICT'S COLLECTION OF THE SERIES 2020 ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S, THE LANDOWNER AND SMR'S CONTROL. BECAUSE THE DISTRICT, THE LANDOWNER AND SMR CANNOT PREDICT ALL FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

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

THIS LIMITED OFFERING MEMORANDUM IS BEING PROVIDED TO PROSPECTIVE PURCHASERS 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 ENTIRELY DIRECTLY FROM SUCH WEBSITE.

REFERENCES TO WEBSITE ADDRESSES PRESENTED HEREIN, INCLUDING THE DISTRICT'S WEBSITE, 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.

THE LIMITED OFFERING MEMORANDUM DOES NOT CONSTITUTE A CONTRACT BETWEEN THE DISTRICT OR MBS CAPITAL MARKETS, LLC AND ANY ONE OR MORE OF THE OWNERS OF THE 2020 BONDS.

THE DISTRICT HAS DEEMED THIS PRELIMINARY LIMITED OFFERING MEMORANDUM "FINAL," EXCEPT FOR PERMITTED OMISSIONS, WITHIN THE CONTEMPLATION OF RULE 15C2-12 PROMULGATED BY THE SECURITIES AND EXCHANGE COMMISSION.

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FOR THE YEAR ENDED SEPTEMBER 30, 2019

SUMMARY STATEMENT

This Summary Statement is part of this Limited Offering Memorandum, and is subject in all respects to the more complete information and definitions contained in or incorporated in this Limited Offering Memorandum. This Summary Statement should not be considered to be a complete statement of the facts material to making an investment decision. The offer by the Lakewood Ranch Stewardship District (the "District") of its Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) (the "2020 Bonds") is made only by means of this entire Limited Offering Memorandum. No person is authorized to detach this Summary Statement from this Limited Offering Memorandum or to otherwise use it without the entire Limited Offering Memorandum. Unless otherwise defined, all capitalized terms in this Summary Statement shall be as defined herein, in the Indenture (herein defined) or in the text of this Limited Offering Memorandum.

Bond Owners' Risks; Limited Offering

NO APPLICATION HAS BEEN MADE FOR A RATING WITH RESPECT TO THE 2020 BONDS. INVESTMENT IN THE 2020 BONDS POSES CERTAIN RISKS AND THE 2020 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL POTENTIAL INVESTORS. SEE "INTRODUCTION", "BONDHOLDERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN. POTENTIAL INVESTORS ARE SOLELY RESPONSIBLE FOR EVALUATING THE MERITS AND RISKS OF AN INVESTMENT IN THE 2020 BONDS.

The District

The District is a local unit of special-purpose government of the State of Florida (the "State") created pursuant to the Lakewood Ranch Stewardship District Act, Chapter 2005-338, Laws of Florida as amended (the "Act"). The District consists of approximately 25,605 acres located within both Manatee and Sarasota Counties. For more complete information about the District, see "THE DISTRICT" herein.

The 2020 Bonds

The 2020 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of September 1, 2005 by and between the District and U.S. Bank National Association as successor to Wachovia Bank, National Association (the "Master Indenture") as trustee (the "Trustee") as supplemented by a Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 from the District to the Trustee (the "Supplemental Indenture" together with the Master Indenture, the "Indenture"). The Master Indenture and form of Supplemental Indenture is reproduced hereto as APPENDIX B. Capitalized terms not otherwise defined herein shall have the meaning assigned to them in the Indenture. The 2020 Bonds will be issued in fully registered form in denominations of \$5,000 or any integral multiple thereof; provided that the 2020 Bonds will be deliverable to the initial purchasers in denominations of \$100,000 or integral multiples of \$5,000 in excess of \$100,000. The 2020 Bonds will bear interest at the fixed rates set forth on the cover page, calculated on the basis of a 360-day year comprised of twelve thirty-day months, payable on each May 1 and November 1 commencing on May 1, 2021. The 2020 Bonds are subject to extraordinary mandatory, optional and mandatory redemption prior to the stated date of maturity, as provided herein. See "DESCRIPTION OF THE 2020 BONDS" herein.

Purpose of the 2020 Bonds

The 2020 Bonds are being issued in order to provide funds to (i) retire a portion of the District's Bond Anticipation Note, Series 2017 (Northeast Sector Project), (ii) construct, acquire, equip and install the Northeast Sector Project - Phase 2B, (iii) fund the 2020 Reserve Account in an amount equal to the initial 2020 Reserve Account Requirement, (iv) pay costs of issuance of the 2020 Bonds, and (v) to capitalize the interest on the 2020 Bonds through May 1, 2021. See "ESTIMATED SOURCES AND USES OF PROCEEDS" herein.

Northeast Sector

The Northeast Sector portion of the District encompasses approximately 3,853 gross acres and is planned to include residential, commercial and educational uses as more fully described under the heading "NORTHEAST

SECTOR". Pursuant to the Assessment Methodology as parcels of land in the Northeast Sector are sold by SMR Northeast, LLC (the "Landowner") the Series 2020 Assessments will be allocated to the first parcels sold within the 2020 Assessment Area based upon the amount of development entitlements transferred. See "ASSESSMENT METHODOLOGY herein and Appendix E hereto.

Security for the 2020 Bonds

The principal of and interest on the 2020 Bonds shall be payable solely from, and shall be secured solely by the revenues derived by the District from the Series 2020 Assessments (the "2020 Pledged Revenues") and the Funds and Accounts (except for the 2020 Rebate Account and 2020 Cost of Issuance Account) established by the Supplemental Indenture (the "2020 Pledged Funds"). The 2020 Pledged Revenues and the 2020 Pledged Funds collectively comprise the "2020 Trust Estate".

[END OF SUMMARY STATEMENT]

\$ _____ *
LAKWOOD RANCH STEWARDSHIP DISTRICT
Special Assessment Revenue Bonds, Series 2020
(Northeast Sector Project - Phase 2B)

INTRODUCTION

The purpose of this Limited Offering Memorandum, including the cover page, summary statement and appendices hereto, is to provide certain information in connection with the issuance and sale by Lakewood Ranch Stewardship District (the "District") of its \$ _____ * Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) (the "2020 Bonds").

No person has been authorized by the District or the Underwriter (as defined herein) to give any information or to make any representations, other than those contained in this Limited Offering Memorandum and, if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The District is a local unit of special purpose government of the State of Florida, created pursuant to Chapter 2005-338, Laws of Florida as amended (the "Act"). Among the purposes for which the District was established are financing the acquisition and construction of and the maintenance and operation of the infrastructure and other public facilities necessary for development of the lands within the District. The Act authorizes the District to issue bonds for purposes, among others, of financing the cost of acquisition and construction of assessable improvements including water management and control, water supply, wastewater management, reclamation and reuse, roadway improvements, landscaping, street lights, parks and other basic infrastructure projects within and, in accordance with the provisions of the Act, without the boundaries of the District. For more complete information about the District, its Board of Supervisors and the District Manager, see "THE DISTRICT" herein.

The boundaries of the District encompass approximately 25,605 acres of land located in Manatee and Sarasota Counties. The portion of the District being developed with certain proceeds of the 2020 Bonds is a portion of the area known as the Northeast Sector, an area of approximately 3,853 gross acres located in Manatee County, (the "County") in the northeastern portion of the District.

The current sole landowner of the acreage constituting the 2020 Assessment Area (as defined herein) an area totaling 1,439 acres is SMR Northeast, LLC (the "Landowner"), a Florida limited liability company and a wholly owned subsidiary of Schroeder - Manatee Ranch, Inc. ("SMR") a Delaware corporation or affiliated entities thereof. See "LAKWOOD RANCH" and "NORTHEAST SECTOR" herein.

The 2020 Bonds are being issued pursuant to the Act and a Master Trust Indenture dated as of September 1, 2005 by and between the District and U.S. Bank National Association as successor to Wachovia Bank, National Association (the "Master Indenture") as trustee (the "Trustee") as supplemented by an Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 from the District to the Trustee (the "Supplemental Indenture" together with the Master Indenture, the "Indenture"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. The principal of and interest on the 2020 Bonds shall be payable solely from, and shall be secured solely by the revenues derived by the District from the Series 2020 Assessments (the "2020 Pledged Revenues") and the Funds and Accounts (except for the 2020 Rebate Account and 2020 Cost of Issuance Account) established by the Supplemental Indenture (the "2020 Pledged Funds"). The 2020 Pledged Revenues and the 2020 Pledged Funds collectively comprise the "2020 Trust Estate".

NEITHER THE 2020 BONDS NOR THE INTEREST AND PREMIUM, IF ANY, PAYABLE THEREON SHALL CONSTITUTE A GENERAL OBLIGATION OR GENERAL INDEBTEDNESS OF THE DISTRICT WITHIN THE MEANING OF THE CONSTITUTION AND LAWS OF THE STATE OF FLORIDA. THE 2020 BONDS AND THE INTEREST 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 2020 BONDS. RATHER, DEBT SERVICE AND ANY OTHER AMOUNTS REQUIRED TO BE PAID PURSUANT TO THE INDENTURE OR THE 2020 BONDS SHALL BE PAYABLE SOLELY FROM, AND SHALL BE SECURED SOLELY BY, THE 2020

PLEDGED REVENUES AND THE 2020 PLEDGED FUNDS PLEDGED TO THE 2020 BONDS, ALL AS PROVIDED HEREIN AND IN THE INDENTURE.

Proceeds of the 2020 Bonds will be used to (i) to retire on the date of delivery of the 2020 Bonds a portion of the District's Bond Anticipation Note, Series 2017 (Northeast Sector Project) (the "2017 Note"), (ii) acquire, construct, install and equip the Northeast Sector Project – Phase 2A, (iii) fund the 2020 Reserve Account in an amount equal to the initial 2020 Reserve Account Requirement, (iv) pay costs of issuance of the 2020 Bonds, and (v) capitalize interest on the 2020 Bonds through May 1, 2021. See "ESTIMATED SOURCES AND USES OF PROCEEDS" herein.

INVESTMENT IN THE 2020 BONDS POSES CERTAIN RISKS AND THE 2020 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL POTENTIAL INVESTORS. SEE "BONDHOLDERS' RISKS" AND "SUITABILITY FOR INVESTMENT" HEREIN.

THE 2020 BONDS ARE NOT CREDIT ENHANCED AND ARE NOT RATED. PROSPECTIVE INVESTORS IN THE 2020 BONDS ARE INVITED TO VISIT THE DISTRICT AND TO REQUEST FROM THE DISTRICT DOCUMENTS, INSTRUMENTS AND INFORMATION WHICH MAY NOT NECESSARILY BE REFERRED TO, SUMMARIZED OR DESCRIBED HEREIN. 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. PROSPECTIVE INVESTORS MAY REQUEST SUCH ADDITIONAL INFORMATION AND ARRANGE TO VISIT THE DISTRICT AS DESCRIBED HEREIN UNDER THE CAPTION "SUITABILITY FOR INVESTMENT."

There follows in this Limited Offering Memorandum a brief description of the District, the Northeast Sector Project, Lakewood Ranch, the Northeast Sector, a description of the terms of the 2020 Bonds and summaries of certain terms of the Indenture and certain provisions of the Act and other sections of Florida Statutes. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and statute, and all references to the 2020 Bonds are qualified by reference to the form thereof and the information with respect thereto contained in the Indenture. A copy of the Master Indenture and the proposed form of the Supplemental Indenture appear in APPENDIX B hereto.

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

SUITABILITY FOR INVESTMENT

While the 2020 Bonds are not subject to registration under the Securities Act of 1933, as amended (the "Securities Act"), MBS Capital Markets, LLC (the "Underwriter") will, as required by Chapter 189, Florida Statutes, offer the 2020 Bonds only to "accredited investors," within the meaning of Chapter 517, Florida Statutes, and the rules promulgated thereunder. However, the limitation of the initial offering to Accredited Investors does not denote restrictions on transfers in any secondary market for the 2020 Bonds. Prospective investors in the 2020 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 2020 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 2020 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, including the benefit of a site visit to the District, and the opportunity to ask questions of the District, as such prospective investor deems necessary in order to make an informed decision with respect to the purchase of the 2020 Bonds. Prospective investors are encouraged to request such additional information, visit the District and ask such questions. Such requests should be directed to:

Brett Sealy
MBS Capital Markets, LLC
152 Lincoln Avenue
Winter Park, Florida 32789
Ph: (407) 808-0685

DESCRIPTION OF THE 2020 BONDS

General

The 2020 Bonds are issuable only in fully-registered form, in denominations of \$5,000 or any integral multiple thereof; provided that the 2020 Bonds will be deliverable to the initial purchasers in principal amounts of \$100,000 or integral multiples of \$5,000 in excess thereof. The 2020 Bonds will be dated as of the date of delivery thereof, will bear interest from that date at the rates per annum and, subject to the redemption provisions set forth below, will mature on the dates set forth on the cover page of this Limited Offering Memorandum. Each 2020 Bond shall bear interest from the Interest Payment Date to which interest has been paid next preceding the date of its authentication, unless the date of its authentication: (i) is an Interest Payment Date to which interest on such 2020 Bond has been paid, in which event such 2020 Bond shall bear interest from its date of authentication; or (ii) is prior to the first Interest Payment Date for the 2020 Bonds, in which event such 2020 Bond shall bear interest from its date. Interest on the 2020 Bonds will be computed on the basis of a 360-day year based on twelve 30-day months and will be payable on each May 1 and November 1, commencing May 1, 2021.

The 2020 Bonds shall be initially issued in the form of a separate single certificated fully registered 2020 Bond for each maturity thereof. Upon initial issuance, the ownership of each such 2020 Bond shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), the initial Bond Depository. Except as provided in the Indenture, all of the Outstanding 2020 Bonds shall be registered in the registration books kept by the Bond Registrar in the name of Cede & Co., as nominee of DTC. See "DESCRIPTION OF THE 2020 BONDS - Book-Entry Only System" herein.

Redemption Provisions

Optional Redemption. The 2020 Bonds are subject to redemption at the option of the District prior to maturity in whole or in part at any time on or after May 1, ____ (less than all 2020 Bonds to be selected by lot), at the Redemption Price of the principal amount of the 2020 Bonds or portions thereof to be redeemed together with accrued interest to the redemption date.

Mandatory Sinking Fund Redemption. The 2020 Bond maturing on May 1, ____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

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

*

* Maturity

The 2020 Bond maturing on May 1, ____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption on May 1 of the years and in the principal amounts set forth below:

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

May 1 of the Year	Amortization Installment
*	

* Maturity

The 2020 Bond maturing on May 1, _____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus 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
	\$

*

* Maturity

The 2020 Bond maturing on May 1, _____ is subject to mandatory redemption in part by the District by lot prior to its scheduled maturity from moneys in the 2020 Sinking Fund Account established under the Supplemental Indenture in satisfaction of applicable Amortization Installments at a Redemption Price of 100% of the principal amount thereof, without premium, plus 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
	\$

*

* Maturity

Upon redemption or purchase of the 2020 Bonds (other than redemption in accordance with scheduled Amortization Installments), the District shall cause to be recalculated and delivered to the Trustee revised Amortization Installments recalculated so that Debt Service on such 2020 Bonds is amortized in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of such 2020 Bonds (the annual principal amounts so determined referred to as the "Aggregate Amortization Installments"). The Amortization Installments as so recalculated shall not result in an increase in Aggregate Amortization Installments in any year.

Extraordinary Mandatory Redemption. The 2020 Bonds are subject to extraordinary mandatory redemption prior to scheduled maturity, in whole on any date or in part on any Quarterly Redemption Date, and if in part on a pro rata

basis as calculated by the District determined by the ratio of the Outstanding principal amount of each maturity of the 2020 Bonds treating for such purposes each Amortization Installment as a maturity divided by the aggregate principal amount of Outstanding 2020 Bonds and as otherwise provided in the Indenture, at the Redemption Price of 100% of the principal amount thereof, without premium, plus accrued interest to the date of redemption, if and to the extent that any one or more of the following shall have occurred:

(i) On or after the Date of Completion of the Northeast Sector Project - Phase 2B, by application of moneys transferred from the 2020 Acquisition and Construction Account to the 2020 Prepayment Subaccount of the 2020 Redemption Account in accordance with the terms of the Indenture; or

(ii) Amounts are deposited into the 2020 Prepayment Subaccount of the 2020 Redemption Account from the prepayment of Series 2020 Assessments and from amounts deposited into the 2020 Prepayment Subaccount from the 2020 Reserve Account; or

(iii) When the amount on deposit in the 2020 Reserve Account, together with other moneys available therefor are sufficient to pay and redeem all 2020 Bonds then Outstanding as provided in the Supplemental Indenture.

Except as otherwise provided in the Indenture, if less than all of the 2020 Bonds subject to redemption shall be called for redemption, the particular maturities of such 2020 Bonds or portions of particular maturities of such 2020 Bonds to be redeemed shall be selected by the Bond Registrar on a pro rata basis as determined by the ratio of the Outstanding principal amount of each maturity of the 2020 Bonds divided by the aggregate principal amount of Outstanding 2020 Bonds and as otherwise provided in the Indenture and then by lot within each maturity, as determined by Cede & Co.

Notice and Effect of Redemption

Notice of each redemption of 2020 Bonds is required to be mailed by the Bond Registrar, postage prepaid, not less than thirty (30) nor more than forty-five (45) days prior to the redemption date to each Registered Owner of 2020 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Bond Registrar. Notice of optional redemption may be conditioned upon the occurrence or non-occurrence of such event or events as shall be specified in such notice of optional redemption and may also be subject to rescission by the District if expressly set forth in such notice. 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 2020 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 2020 Bonds or such portions thereof on such date, interest on such 2020 Bonds or such portions thereof so called for redemption shall cease to accrue, such 2020 Bonds or 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 2020 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 or 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.

Book-Entry Only System

The information in this section concerning DTC and DTC's book-entry system has been obtained from DTC and neither the District nor the Underwriter make any representation or warranty or take any responsibility for the accuracy or completeness of such information.

The Depository Trust Company ("DTC") will act as securities depository for the 2020 Bonds. The 2020 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 2020 Bond certificate will be issued for each maturity of the 2020 Bonds, each in the aggregate principal amount of such maturity, and will be deposited with DTC.

DTC, the world's largest 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 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 Securities and Exchange Commission (the "SEC"). More information about DTC can be found at www.dtcc.com.

Purchases of 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2020 Bonds on DTC's records. The ownership interest of each actual purchaser of each 2020 Bond (each a "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 2020 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 2020 Bonds, except in the event that use of the book-entry system for the 2020 Bonds is discontinued.

To facilitate subsequent transfers, all 2020 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 2020 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 2020 Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2020 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 2020 Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2020 Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2020 Bond documents. For example, Beneficial Owners of 2020 Bonds may wish to ascertain that the nominee holding the 2020 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 2020 Bonds within a maturity are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the 2020 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 2020 Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Principal and interest payments on the 2020 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 a payment date in accordance with their respective holdings shown on DTC's records. Payments by DTC 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 DTC Participant and not of DTC nor its nominee, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect

from time to time. Payment of principal and interest on the 2020 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 2020 Bonds at any time by giving reasonable notice to the District or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2020 Bond certificates are required to be printed and delivered.

The District may decide to discontinue use of the system of book-entry transfers through DTC upon compliance with any applicable DTC rules and procedures. In that event, 2020 Bond certificates will be printed and delivered at the expense of the District.

So long as Cede & Co. is the registered owner of the 2020 Bonds, as nominee of DTC, reference herein to the Bondholders or Registered Owners of the 2020 Bonds will mean Cede & Co., as aforesaid, and will not mean the Beneficial Owners of the 2020 Bonds.

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 OR THE BENEFICIAL OWNERS OF THE 2020 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 2020 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.

ESTIMATED SOURCES AND USES OF PROCEEDS

Proceeds from the issuance and delivery of the 2020 Bonds are expected to be applied as follows:

SOURCES

Par Amount of 2020 Bonds	\$
Less Original Issue Discount	()
TOTAL SOURCES:	\$

USES

Retirement of portion of 2017 Note	\$
Deposit to 2020 Acquisition and Construction Account	
Deposit to 2020 Reserve Account	
2020 Costs of Issuance Account (including Underwriter's Discount)	
Deposit to 2020 Capitalized Interest Account*	\$
TOTAL USES:	\$

*Interest is being capitalized on the 2020 Bonds through May 1, 2021

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DEBT SERVICE REQUIREMENTS FOR 2020 BONDS

Year Ending November 1	Principal	Interest	Total
2020	\$	\$	\$
2021			
2022			
2023			
2024			
2025			
2026			
2027			
2028			
2029			
2030			
2031			
2032			
2033			
2034			
2035			
2036			
2037			
2038			
2039			
2040			
2041			
2042			
2043			
2044			
2045			
2046			
2047			
2048			
2049			
2050*			
TOTALS	\$	\$	\$

*Final Maturity May 1, 2050.

SECURITY FOR AND SOURCE OF PAYMENT OF THE 2020 BONDS

General

The primary source of payment for the 2020 Bonds are the revenues derived by the District from the Series 2020 Assessments imposed, pursuant to the Assessment Proceedings, as provided in the Assessment Reports (as defined herein) attached hereto as APPENDIX E. The principal of, premium, if any, and interest on the 2020 Bonds are equally and ratably secured under the Indenture by a first lien upon and pledge of revenues derived by the District from the Series

2020 Assessments collected by or on behalf of the District (the "Series 2020 Assessments" or the "2020 Pledged Revenues"). Please refer to "ASSESSMENT METHODOLOGY" herein.

The Indenture provides that the pledge of the revenues derived by the District from the Series 2020 Assessments shall be valid and binding from and after the date of delivery of the 2020 Bonds, and the proceeds of the 2020 Bonds and Series 2020 Assessments, respectively, shall immediately be subject to the lien of the pledge without any physical delivery thereof or further act, and the lien against the 2020 Trust Estate (as defined in the Indenture) shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the District irrespective of whether such parties have notice thereof.

Delinquent Series 2020 Assessments consist of any installment of any Series 2020 Assessment which is deposited with the Trustee after the date on which such installment is due and payable. The Series 2020 Assessments will be levied upon land within the District specially benefited by the Northeast Sector Project – Phase 2A. See "ASSESSMENT METHODOLOGY", and "THE NORTHEAST SECTOR PROJECT" herein, "APPENDIX A – ENGINEER'S REPORT" and "APPENDIX E – ASSESSMENT METHODOLOGY REPORTS" attached hereto for a brief summary of such improvements.

Non-ad valorem assessments are not based on millage and can become a lien against the homestead as permitted in Section 4, Article X of the Florida State Constitution. Series 2020 Assessments also consist of amounts received from any foreclosure or other court proceeding for the enforcement of collection of the Series 2020 Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Assessments, less the fees and costs of collection thereof payable to the Tax Collector or other collection agent and less certain administrative costs payable to the Property Appraiser. The Indenture provides that the District shall not be required to collect Series 2020 Assessments using the Uniform Collection Method provided for in Sections 197.3631, 197.3632 and 197.3635, Florida Statutes, as amended (the "Uniform Method") until such time as the property subject to such Series 2020 Assessments has been platted and assigned a distinct ad valorem property tax identification number by the Property Appraiser. In addition, the District is not required to use the Uniform Collection Method when the property is owned by a government or includes structures owned by a government. Pursuant to the Indenture, all Series 2020 Assessments that are collected directly by the District and not via the Uniform Method shall be due and payable by the landowner no later than thirty (30) days prior to each Interest Payment Date. Pursuant to the Indenture, upon the occurrence of an Event of Default, the collection of Series 2020 Assessments shall be in the manner directed by the Majority Owners. See also "COLLECTION OF SERIES 2020 ASSESSMENTS" herein.

The District has covenanted in the Indenture that if the owner of any lot or parcel of land shall be delinquent in the payment of any Series 2020 Assessment, then such Series 2020 Assessment shall be enforced in accordance with Section 6 of the Act or collected pursuant to the provisions of Chapters 170 and 197, Florida Statutes including but not limited to the sale of tax certificates and tax deeds as regards such Delinquent Assessment. If the provisions of Chapter 197, Florida Statutes, are inapplicable, then upon the delinquency of any Series 2020 Assessment, the District either on its own behalf, or through the actions of the Trustee, may, but is not obligated to, declare the entire unpaid balance of such Assessment to be in default, at its own expense and cause such delinquent property to be foreclosed in the same method now or hereafter provided by law for the foreclosure of mortgages on real estate, or pursuant to the provisions of Chapter 173, Florida Statutes, Section 6 of the Act and Chapter 170, Florida Statutes, or otherwise as provided by law.

The District has additionally covenanted that, it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provision for the foreclosure of liens of Delinquent 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. However, the 2020 Bonds may not be accelerated except to the extent the Series 2020 Assessments have been accelerated.

In the Supplemental Indenture, the District has covenanted that if any property shall be offered for sale for the nonpayment of any Series 2020 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2020 Assessments (principal, interest, penalties and costs, plus attorneys' fees, if any), the property may then be purchased by the District for an amount greater than or equal to the balance due on the Series 2020 Assessments for such property (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 2020 Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Holders, but shall not be obligated, to direct the District with respect to any action to be so taken. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the 2020

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 Owners of the 2020 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 such actions taken by the District from any moneys legally available for such purpose held under the Indenture.

If any Series 2020 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 2020 Assessment is so irregular or defective that it cannot be enforced or collected, or if the District shall have omitted to make such Series 2020 Assessment when it might have done so, the District has covenanted to either: (i) take all necessary steps to cause a new Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement; or (ii) in its sole discretion, make up the amount of such Assessment from legally available moneys, which moneys shall be deposited into the 2020 Revenue Account. In case any such subsequent Assessment shall also be annulled, the District shall obtain and make other Assessments until a valid Assessment shall be made.

The 2020 Bonds are limited obligations of the District issued under the provisions of the Act and the Indenture and do not constitute an indebtedness of the State, or any political subdivision thereof and are payable solely from proceeds of the 2020 Pledged Revenues and the 2020 Pledged Funds, and the District is not obligated to pay the 2020 Bonds except from such funds. The issuance of the 2020 Bonds shall not directly, indirectly or contingently obligate the District to levy or pledge any other funds whatsoever therefor or to make any appropriation for its payment except from such funds. The 2020 Bonds are not obligations or indebtedness of the State or any agency, authority, district or political subdivision of the State, other than the District.

Landowner Prepayment Waiver

Pursuant to the terms of the Act and the Assessment Proceedings, the owner of property subject to Series 2020 Assessments may pay the entire balance of the Series 2020 Assessments used to finance the improvements remaining due within thirty (30) days after the improvements have been completed and the Board has adopted a resolution accepting the improvements, without interest. The Landowner will waive this right in writing prior to closing which waiver will run with the land.

Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner

The Supplemental Indenture contains the following provisions which, pursuant to the terms of the Supplemental Indenture, shall be applicable both before and after the commencement, whether voluntary or involuntary, of any case, proceeding or other action by or against any owner of any tax parcel subject to at least three percent (3%) of the then Outstanding Series 2020 Assessments (an "Insolvent Taxpayer") under any existing or future law of any jurisdiction relating to bankruptcy, insolvency, reorganization, assignment for the benefit of creditors, or relief of debtors (a "Proceeding"). For as long as any 2020 Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Trustee, the 2020 Bonds or the Series 2020 Assessments, the District shall be obligated to act in accordance with direction from the Trustee with regard to all matters directly or indirectly affecting the 2020 Bonds or for as long as any of the 2020 Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the 2020 Bonds or the Series 2020 Assessments or the Trustee. The District agrees that it shall not be a defense to a breach of the foregoing covenant that it has acted upon advice of counsel in not complying with this covenant.

The District acknowledges and agrees that, although the 2020 Bonds were issued by the District, the Owners of the 2020 Bonds are categorically the party with the ultimate financial stake in the transaction and, consequently, the party with a vested and pecuniary interest in a Proceeding. In the event of any Proceeding involving any Insolvent Taxpayer: (a) the District agrees that it shall follow the direction of the Trustee in making any election, giving any consent, commencing any action or filing any motion, claim, obligation, notice or application or in taking any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2020 Assessments, the 2020 Bonds or any rights of the Trustee under the Indenture; (b) the District agrees that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Series 2020 Assessments, the 2020 Bonds or any rights of the Trustee under the Indenture that are inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) file and vote in any such Proceeding any and all claims of the District, and seek or oppose any relief in any such Proceeding that the District, as claimant with respect to the Series 2020 Assessments, would have the right to pursue, and, if the Trustee

chooses to exercise any such rights, the District shall be deemed to have appointed the Trustee as its agent and granted to the Trustee an irrevocable power of attorney coupled with an interest, and its proxy, for the purpose of exercising any and all rights and taking any and all actions available to the District in connection with any Proceeding of any Insolvent Taxpayer, including without limitation, the right to file and/or prosecute 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 2020 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 (d) the District shall not challenge the validity or amount of any claim submitted in good faith in such Proceeding by the Trustee or any valuations of the lands owned by any Insolvent Taxpayer submitted in good faith by the Trustee in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District's claim and rights with respect to the Series 2020 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 (i) to file a proof of claim with respect to the Series 2020 Assessments, (ii) to deliver to the District a copy thereof, together with evidence of the filing with the appropriate court or other authority, and (iii) to defend any objection filed to said proof of claim.

Notwithstanding the provisions of the immediately preceding paragraphs, the Supplemental Indenture does not 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 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 directions with respect to the Series 2020 Assessments whether such claim is pursued by the District or the Trustee; provided, however, that the District shall not oppose any relief sought by the Trustee under the authority granted to the Trustee in clause (c) of the paragraph above.

No Parity Bonds; Limitation on Additional Bonds

Other than Refunding Bonds issued to refund the Outstanding 2020 Bonds, the District shall not, while any 2020 Bonds are Outstanding, issue or incur any debt payable in whole or in part from the 2020 Trust Estate. The District further covenants and agrees that so long as the 2020 Bonds are Outstanding, it will not impose debt service Assessments for capital projects on any lands then subject to the Series 2020 Assessments without the written consent of the Majority Owners; provided, however, that such consent shall not be required if (i) such Assessments do not exceed the Maximum Assessment Levels (as defined in the Supplemental Indenture) or (ii) the Series 2020 Assessments have been Substantially Absorbed. Notwithstanding the above limitations, the District may impose capital Assessments on property then subject to the Series 2020 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.

Substantially Absorbed means the date on which the principal amount of the Series 2020 Assessments equaling at least ninety percent (90%) of the then Outstanding principal amount of the 2020 Bonds are levied on tax parcels within the District with respect to which a certificate of occupancy has been issued for a structure thereon.

Events of Default and Remedies

Events of Default. Each of the following events is an Event of Default with respect to the 2020 Bonds:

- (a) Any payment of Debt Service on the 2020 Bonds is not made when due;
- (b) The District shall for any reason be rendered incapable of fulfilling its obligations under the Master Indenture or under the Supplemental Indenture relating to the 2020 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 Northeast Sector Project;
- (d) The District is adjudged insolvent by a court of competent jurisdiction, or is adjudged a bankrupt on a petition in bankruptcy filed against the District, or an order, judgment or decree be entered by any court of competent jurisdiction appointing, without the consent of the District, a receiver or trustee of the District or of the whole or any part

of its property and if the aforesaid adjudications, orders, judgments or decrees shall not be vacated or set aside or stayed within ninety (90) days from the date of entry thereof;

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

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

(g) The District shall default in the due and punctual performance of any of the covenants, conditions, agreements and provisions contained in the 2020 Bonds or in the Master Indenture or in the Supplemental Indenture on the part of the District to be performed (other than a default in the payment of Debt Service on the 2020 Bonds when due, which is an Event of Default under subsection (a) above) and such default shall continue for thirty (30) days after written notice specifying such default and requiring same to be remedied shall have been given to the District by the Trustee or, if the Trustee is unwilling or unable to act, by Owners of not less than ten per centum (10%) in aggregate principal amount of the 2020 Bonds then Outstanding;

(h) More than twenty percent (20%) of the operation and maintenance assessments levied by the District are not paid by the date such are due and payable.

(i) The Trustee is authorized to withdraw funds from the 2020 Reserve Account in an amount greater than twenty-five percent (25%) of the 2020 Reserve Account Requirement to pay debt service on the 2020 Bonds (regardless of whether the Trustee does or does not, per the direction of the Majority Owners, actually withdraw such funds from the 2020 Reserve Account to pay debt service on the 2020 Bonds) and any such amount withdrawn is not replenished within ninety (90) days of the date of such withdrawal.

(j) Material breach by the District of any material covenant made by it in the Indenture, whether or not notice of such breach has been given.

Remedies. Pursuant to the Supplemental Indenture, the District covenants and agrees that it will take such actions to enforce the remedial provisions of the Indenture, the provisions for the collection of Delinquent Assessments, and the provisions for the foreclosure of liens of Delinquent Assessments. The District acknowledges and agrees that (i) upon failure of any property owner to pay Series 2020 Assessments collected directly by the District when due, that the entire Series 2020 Assessments on the delinquent property, with interest and penalties thereon, shall immediately become due and payable and the District shall promptly cause to be commenced the necessary legal proceedings for the foreclosure of liens of delinquent Series 2020 Assessments, including interest and penalties and (ii) the foreclosure proceedings shall be prosecuted to a sale and conveyance of the property involved in said proceedings.

Agreement for Assignment of Development Rights

Contemporaneously with the issuance of the 2020 Bonds, the Landowner and the District will enter into a Collateral Assignment and Assumption of Development and Contract Rights (the "Assignment Agreement"). The Assignment Agreement provides, among other things, that in the event the Landowner defaults in the payment of Series 2020 Assessments levied on lands owned by the Landowner, the District may exercise its remedial rights thereunder. Pursuant to the Assignment Agreement, the Landowner agrees subject to the provisions of the Assignment Agreement, to collaterally assign to the District all of its development rights and contract rights relating to lands benefited by the Northeast Sector Project – Phase 2A (the "Development and Contract Rights") as security for the Landowner's payment and performance and discharge of its obligation to pay the Series 2020 Assessments levied against the lands within the Northeast Sector. Such Development and Contract Rights specifically exclude any such portion of the Development and Contract Rights which relate solely to any property which has been conveyed to a landowner resulting from the sale of land in the ordinary course of business, 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 Northeast Sector, if any.

Completion Agreement

The District and the Landowner have previously entered into an agreement (the "Completion Agreement") pursuant to which the Landowner agreed to provide funds to complete the Northeast Sector Project to the extent that

proceeds of the 2020 Bonds and any other debt of the District 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 2020 Bonds, the District and Landowner will enter into an agreement pursuant to which the Landowner agrees to timely pay all Series 2020 Assessments on lands owned by the Landowner within the 2020 Assessment Area and to pay when requested by the District any amount of Series 2020 Assessments allocated to unplatted acres in excess of the allocation in place at the time of issuance of the 2020 Bonds.

COLLECTION OF SERIES 2020 ASSESSMENTS

As stated above, the Indenture provides that the District shall not be required to collect Series 2020 Assessments using the Uniform Method until such time as the property subject to such Assessments has been platted and assigned a distinct ad valorem property tax identification number by the Property Appraiser. The Indenture provides that in the case of an event of default, the Series 2020 Assessments shall be collected as directed by the Majority Owners.

The Indenture further provides that in addition, and not in limitation of, the covenants contained elsewhere in the Indenture, the District covenants to comply with the terms of the proceedings heretofore adopted with respect to the Series 2020 Assessments, as described in "APPENDIX E – ASSESSMENT METHODOLOGY REPORTS", and to levy the Series 2020 Assessments and any required true-up payments set forth in such assessment reports, in such manner as will generate funds sufficient to pay the principal of and interest on the 2020 Bonds, when due.

ENFORCEMENT OF ASSESSMENT COLLECTIONS

As stated herein, the primary prospective source of payment for the 2020 Bonds are the revenues derived by the District from the Series 2020 Assessments imposed on each parcel of benefited land within the District pursuant to the Assessment Proceedings. To the extent that landowners fail to pay such Series 2020 Assessments, delay payments, or are unable to pay the same, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the 2020 Bonds. The Act provides for various methods of collection of delinquent special assessments by reference to other provisions of the Florida Statutes. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes, but is qualified in its entirety by reference to such statutes.

Judicial Proceedings

In addition to the sale of tax certificates as a method of enforcing the payment of Series 2020 Assessments, Section 170.10, Florida Statutes, provides that upon the failure of any property owner to pay the principal of the Series 2020 Assessments or the interest thereon, when due, the governing body of the District is authorized to commence legal proceedings for the enforcement of the payment thereof, including commencement of an action in chancery, commencement of a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or commencement of an action under Chapter 173, Florida Statutes, relating to foreclosure of municipal tax and special assessment liens. Foreclosure proceedings under the provisions of Chapter 173, Florida Statutes, can be commenced after the expiration of one year from the date any special assessment or installment thereof becomes due. Section 170.10, Florida Statutes does not have the one year waiting period. Such a proceeding is in rem, meaning that it is brought against the land and not against the owner in the Circuit Court where the land is located.

Certain mortgage lenders have, in recent foreclosure suits brought under Chapter 170, Florida Statutes, plead a defense stating that a foreclosing district must abide by the same one year period as Chapter 173, Florida Statutes, in order to begin foreclosure proceedings. To the extent that any districts have taken a position on this, they have all asserted that the one year waiting period does not apply to Chapter 170, Florida Statutes, and at least one Circuit Court has agreed.

In general, after the District commences the suit, there is a period of notice to, and an opportunity for response by, affected persons. Ultimately a hearing will be held and if the court decides in favor of the District, a judgment will be rendered in the amount of the delinquent special assessments and costs of the proceeding. The judgment would also direct sale of the land subject to the delinquent special assessments by public bid to the highest bidder, with proceeds of the sale being applied to payment of the delinquent special assessments. If no bidder bids at least the amount of the delinquent special assessments and applicable costs, the District may obtain title to the land.

Pursuant to the Indenture, if any property shall be offered for sale for the nonpayment of any Series 2020 Assessment and no person or persons shall purchase such property for an amount equal to the full amount due on the Series 2020 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 2020 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 2020 Bonds; provided that the Trustee shall have the right, acting at the direction of the Majority Holders, but shall not be obligated, to direct the District with respect to any action taken pursuant to the Indenture and as described in this paragraph. The District, either through its own actions, or actions caused to be taken through the Trustee, shall have the power and shall lease or sell such property, and deposit all of the net proceeds of any such lease or sale into the 2020 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 Owners of the 2020 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 District pursuant to this paragraph from any moneys legally available for such purpose held under the Indenture. The District has the right but not the obligation to credit bid the amount of any delinquent Series 2020 Assessments but absent such credit bid, it should be noted that it is unlikely that the District will have sufficient funds to complete any purchases of property offered for sale for the nonpayment of Series 2020 Assessments.

Enforcement of the obligation to pay Series 2020 Assessments and the ability of the Tax Collector to sell tax certificates and ultimately tax deeds, or the ability to foreclose the lien created by the failure to pay Series 2020 Assessments, may not be readily available or may be limited as such enforcement is dependent upon judicial actions that are often subject to discretion and delay.

For a description of the Series 2020 Assessments and the methodology for their levy, please refer to "APPENDIX E – ASSESSMENT METHODOLOGY REPORTS" herein.

Unless the Series 2020 Assessments are collected using the Uniform Method, the only remedies available for enforcement of the Series 2020 Assessments would be those described in this Section.

Tax Collection Procedures

The Series 2020 Assessments will be payable in annual installments and will be certified for collection by the District each year. The determination, order, levy and collection of Series 2020 Assessments must be done in compliance with procedural requirements and guidelines provided by State law. Failure by the District or the Tax Collector or the Property Appraiser (in the case of Series 2020 Assessments being collected using the Uniform Method) to comply with such requirements could result in delays in the collection of, or the complete inability to collect, Series 2020 Assessments during any year. Such delays in the collection of, or complete inability to collect, Series 2020 Assessments could have a material adverse effect on the ability of the District to make full or punctual payment of Debt Service on the 2020 Bonds.

As stated herein, the primary source of payment for the 2020 Bonds are expected to be the revenues derived by the District from the Series 2020 Assessments imposed on benefited lands within the District pursuant to the Assessment Proceedings. To the extent that landowners fail to pay such Series 2020 Assessments, delay payments, or are unable to pay the same, the successful pursuit of collection procedures available to the District is essential to continued payment of principal of and interest on the 2020 Bonds. The Act provides for various methods of collection of delinquent special assessments by reference to other provisions of the Florida Statutes. The following is a description of certain statutory provisions of assessment payment and collection procedures appearing in the Florida Statutes, but is qualified in its entirety by reference to such statutes.

The Florida Statutes provide that, subject to certain conditions, assessments such as the Series 2020 Assessments may be collected in the same manner as ad valorem taxes. The statutes relating to enforcement of ad valorem taxes provide that ad valorem taxes become due and payable on November 1 of the year when assessed and constitute a lien upon the land from January 1 of such year. The Series 2020 Assessments are a lien on the land against which they are assessed from the date the assessments are levied until paid or barred by operation of law. The lien of the Series 2020 Assessments is of equal dignity with the lien for ad valorem taxes upon land, and thus is a first lien, superior to all other liens, including mortgages (except for state and county taxes and other taxes which are of equal dignity). Such taxes and assessments (including the Series 2020 Assessments, if any, being collected by the Uniform Method) are to be billed, and landowners in the District, subject to next succeeding sentence, are required to pay all such taxes and assessments, without preference

in payment of any particular increment of the tax bill, such as the increment owing for the Series 2020 Assessments. If a landowner initiates legal proceedings contesting the levy or the amount of a particular ad valorem tax or possibly a non-ad valorem assessment which could include the Series 2020 Assessments, under certain circumstances, such landowner may be permitted to pay only that amount of ad valorem taxes and possibly non ad valorem assessments that the landowner, in good faith, admits to be owing. As described below, if a landowner should commence legal proceedings regarding the Series 2020 Assessments, this could result in the delay of certain remedial actions made available using the Uniform Method. If a significant number of landowners contest the levy or amount of Series 2020 Assessments, it is possible the District would not have sufficient revenues to timely pay debt service on the 2020 Bonds. Upon any receipt of moneys by the Tax Collector from the Series 2020 Assessments, such moneys will be delivered to the District, which will remit such moneys to the Trustee for deposit to the applicable accounts and subaccounts under the Indenture and applied in accordance therewith.

All city, county, school and special districts, including the District, ad valorem taxes, non-ad valorem special assessments and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2020 Assessments collected pursuant to the Uniform Method, are payable at one time. 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, except that if a taxpayer has commenced legal proceedings contesting the levy or amount of an ad valorem tax and possibly a non-ad valorem assessment, a tax collector may accept a partial payment of the ad valorem tax, and possibly, the non-ad valorem assessment. If a taxpayer disputes all or a portion of the Series 2020 Assessments, and pays the balance of ad valorem taxes and non-ad valorem assessments which the taxpayer in good faith admits to be owing, this could possibly cause a delay in the collection of the Series 2020 Assessments, 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 2020 Bonds. Under certain circumstances, the District may prospectively opt out of using the Uniform Method and utilize the foreclosure procedures described in the section above captioned "Judicial Proceedings".

If Series 2020 Assessments collected pursuant to the Uniform Method 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 become delinquent on April 1 of the year following assessment, and the Tax Collector is required to collect taxes prior to April 1 and after that date to institute statutory procedures upon delinquency to collect assessed taxes. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process.

Sale of Tax Certificates

The 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 the payment of the special assessment due. The demand for such certificates is in turn dependent upon various factors, which include the interest that can be earned by ownership of such certificates and the 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 value of the land within the District may affect the demand for such certificates and the successful collection of the Series 2020 Assessments. See "BONDHOLDERS' RISKS" herein.

In the event of a delinquency in the payment of taxes on real property, the Tax Collector is required to attempt to sell tax certificates on such property to the person who pays the delinquent taxes and interest and certain costs and charges relating thereto, and who accepts the lowest interest rate per annum to be borne by the certificates (not to exceed 18%). Delinquent taxes may be paid by a taxpayer prior to the date of sale of a tax certificate by the payment of such taxes, together with interest and all costs and charges relating thereto. Generally, tax certificates are sold by public bid. If there are no bidders at the public sale of tax certificates, the certificate is issued to the county in which the assessed lands are located, at the maximum rate of interest allowed (currently 18%). During the pendency of any litigation arising from the context of a landowner's tax assessment collected through the Uniform Method, which may possibly include non-ad valorem special assessments such as the Series 2020 Assessments, it is possible that the tax collector will not sell tax certificates with respect to such property. The Tax Collector does not collect any money if tax certificates are issued to the county. Proceeds from the sale of tax certificates are required to be used to pay taxes (including Series 2020 Assessments), interest, costs and charges on the real property described in the certificate.

County-held certificates may be purchased and any tax certificate may be redeemed, in whole or in part, by any person at any time before a tax deed is issued or the property is placed on the list of lands available for sale, at a price equal to the face amount of the certificate or portion thereof together with all interest, costs, charges and omitted taxes due. The proceeds of such a redemption are paid to the Tax Collector who transmits to the holder of the certificate such

proceeds less service charges, and the certificate is canceled. 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. 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. 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, 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, redemption of other tax certificates on the land, and the amount paid by such holder in applying for the tax deed, plus interest thereon. In the case of homestead property, the bid is also deemed to include 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 towards the purchase price. If there are other bids, the holder may enter the bidding. The highest bidder is awarded title to the land. The portion of proceeds of such sale needed to redeem the tax certificate, and all other amounts paid by such person in applying for a tax deed, are forwarded to the holder thereof or credited to such holder if such holder is the successful bidder. Excess proceeds are distributed first to satisfy governmental liens against the land and then to the former title holder of the property (less service charges), lienholders 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 interests may appear.

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

If there are no bidders at the public sale, the County may at any time within ninety (90) days from the date of offering for public sale purchase the land without further notice or advertising for a statutorily prescribed opening bid. After ninety (90) days have passed, any person or governmental unit may purchase the land by paying the amount of the opening bid. Three years from the date of offering for public sale, unsold lands escheat to the County in which they are located and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the County Commissioners.

FUNDS AND ACCOUNTS

Pursuant to the Supplemental Indenture, the following Funds and Accounts will be held by the Trustee:

- (a) within the Acquisition and Construction Fund, a 2020 Acquisition and Construction Account and a 2020 Costs of Issuance Account;
- (b) within the Debt Service Fund, a 2020 Sinking Fund Account, a 2020 Interest Account, a 2020 Capitalized Interest Account; and a 2020 Redemption Account (and therein a 2020 Prepayment Subaccount);
- (c) within the Reserve Fund, a 2020 Reserve Account;
- (d) within the Revenue Fund, a 2020 Revenue Account; and
- (e) within the Rebate Fund, a 2020 Rebate Account.

Acquisition and Construction Fund

2020 Acquisition and Construction Account. Amounts on deposit in the 2020 Acquisition and Construction Account shall be applied to pay the Costs of the Northeast Sector Project - Phase 2B upon compliance with the

requirements of the requisition provisions set forth in the Master Indenture and/or as otherwise provided in the Supplemental Indenture.

Any balance remaining in the 2020 Acquisition and Construction Account after the Date of Completion of the Northeast Sector Project - Phase 2B and after retaining the amount, if any, of all remaining unpaid Costs of the Northeast Sector Project - Phase 2B set forth in the Engineers' Certificate establishing such Date of Completion, shall be transferred to and deposited in the 2020 Prepayment Subaccount in the 2020 Redemption Account and applied to the extraordinary mandatory redemption of the 2020 Bonds in the manner prescribed in the Supplemental Indenture.

Upon the occurrence of an Event of Default, moneys in the 2020 Acquisition and Construction Account and the 2020 Trust Estate may be used to pay the fees and the expenses and costs of litigation and other remedies of the Trustee incurred to pursue remedies under the Indenture.

2020 Costs of Issuance Account. Amounts deposited in the 2020 Costs of Issuance Account shall, at the written direction of an Authorized Officer of the District, be used to pay the costs of issuance relating to the 2020 Bonds. After February 1, 2021, amounts on deposit therein for which there is not pending with the Trustee, a requisition shall be transferred to the 2020 Reserve Account if there is any deficiency therein and the remainder to the 2020 Acquisition and Construction Account if the Date of Completion has not yet occurred and if the Date of Completion has already occurred to the 2020 Revenue Account and the 2020 Costs of Issuance Account shall be closed.

2020 Reserve Account

The 2020 Reserve Account will, at the time of delivery of the 2020 Bonds, be funded from a portion of the proceeds of the 2020 Bonds in an amount equal to the 2020 Reserve Account Requirement for the 2020 Bonds. Pursuant to the Indenture, the 2020 Reserve Account Requirement is as of any date of calculation 50% of the Maximum Annual Debt Service Requirement for the 2020 Bonds, initially \$_____. See "ESTIMATED SOURCES AND USES OF PROCEEDS" herein. Amounts on deposit in the 2020 Reserve Account, except as otherwise provided in the Supplemental Indenture, shall be used only for the purpose of making payments into the 2020 Interest Account and the 2020 Sinking Fund Account to pay the 2020 Bonds, without distinction as to 2020 Bonds and without privilege or priority of one 2020 Bond over another, when due when the moneys on deposit in such Accounts and available therefor are insufficient.

The Trustee, on or before the forty-fifth day (or if such day is not a Business Day, on the Business Day next preceding such day) next preceding each Quarterly Redemption Date, after taking into account all payments and transfers made as of such date, shall compute the value of the 2020 Reserve Account and shall promptly notify the District of the amount of any deficiency or surplus as of such date in such account. The District shall immediately pay the amount of any deficiency to the Trustee, for deposit in such account, from the first legally available sources of the District. Any excess monies in the 2020 Reserve Account (other than excess from investment earnings) shall be deposited in the 2020 Acquisition and Construction Account until the Date of Completion of the Northeast Sector Project - Phase 2B and on and after the Date of Completion of the Northeast Sector Project - Phase 2B shall be deposited into the 2020 Prepayment Subaccount.

All earnings on investments in the 2020 Reserve Account, provided no deficiency exists in the 2020 Reserve Account, shall, until the Date of Completion, be deposited to the 2020 Construction and Acquisition Account and on and after the Date of Completion, shall be deposited to the 2020 Revenue Account. To the extent a deficiency exists in the 2020 Reserve Account, investment earnings in such account shall remain in that account. Such account shall consist only of cash and 2020 Investment Obligations.

Notwithstanding the foregoing, on the earliest date on which there is on deposit in the 2020 Reserve Account, sufficient monies, taking into account other monies available therefor, to pay and redeem all of the Outstanding 2020 Bonds, together with accrued interest, if any, on such 2020 Bonds to the earliest date of redemption, then the Trustee shall use the amount on deposit in the 2020 Reserve Account to pay and redeem all of the Outstanding 2020 Bonds on the earliest possible date.

The District may provide that the difference between the amounts on deposit in the 2020 Reserve Account and the 2020 Reserve Account Requirement shall be an amount covered by obtaining bond insurance or a surety bond issued by a municipal bond insurer, rated in one of the two highest categories (at least AA by Fitch, and/or S&P and/or at least Aa by Moody's without reference to gradations) by two nationally recognized rating agencies, (the "Reserve Account Credit Instrument"). At any time after the issuance of the 2020 Bonds, the District may withdraw any or all of the amount of money on deposit in the 2020 Reserve Account and substitute in its place a Reserve Account Credit Instrument as

described above in the face amount of such withdrawal and such withdrawn moneys shall, after payment of the premium for such Reserve Account Credit Instrument, be (a) until the Date of Completion, transferred to the Series 2020 Acquisition and Construction Account to be used to pay Costs of the Northeast Sector Project – Phase 2A, (b) after the Date of Completion, transferred to the 2020 Prepayment Subaccount and used to redeem 2020 Bonds, or (c) upon receipt of an opinion of Bond Counsel, transferred to the District to be used for any lawful purpose of the District.

Application of Prepayment Principal

All Prepayment Principal shall upon receipt by the Trustee be deposited to the 2020 Prepayment Subaccount of the 2020 Redemption Account. At the time the District deposits Prepayment Principal with the Trustee it shall notify the Trustee in writing as to the amount of Prepayment Principal. Amounts on deposit in the 2020 Prepayment Subaccount shall be applied to the redemption of the 2020 Bonds in the manner provided in the Indenture.

Tax Covenants and Rebate Accounts

In the Supplemental Indenture the District has covenanted to comply with the Tax Regulatory Covenants (including deposits to and payments from the 2020 Rebate Account) included as part of the closing transcript for the 2020 Bonds, as amended and supplemented from time to time in accordance with their terms.

Establishment of 2020 Revenue Account in Revenue Fund; Application of Pledged Revenues and Investment Earnings

The Trustee shall except as provided below or otherwise provided in the Supplemental Indenture deposit the 2020 Pledged Revenues to the 2020 Revenue Account and any other amounts or payments specifically designated by the District pursuant to a written direction for said purpose. The 2020 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. Amounts on deposit in the 2020 Revenue Account, 2020 Interest Account, 2020 Capitalized Interest Account, 2020 Sinking Fund Account, 2020 Redemption Account and 2020 Reserve Account shall be used as provided in the Master Indenture except as otherwise provided in the Supplemental Indenture.

Immediately upon receipt the District shall deposit the 2020 Pledged Revenues with the Trustee together with a written accounting setting forth the amounts of such 2020 Pledged Revenues in the following categories which shall be deposited by the Trustee into the Funds and Accounts established under the Supplemental Indenture as follows:

- (i) Assessment Interest, which shall be deposited into the 2020 Interest Account;
- (ii) Assessment Principal, which shall be deposited into the 2020 Sinking Fund Account;
- (iii) Prepayment Principal, which shall be deposited into the 2020 Prepayment Subaccount of the 2020 Redemption Account;
- (iv) Delinquent Assessment Principal shall first be applied to restore the amount of any withdrawal, from the 2020 Reserve Account to pay the principal of 2020 Bonds to the extent that less than the 2020 Reserve Account Requirement is on deposit in the 2020 Reserve Account, and, the balance, if any, shall be deposited into the 2020 Sinking Fund Account.
- (v) Delinquent Assessment Interest, shall first be applied to restore the amount of any withdrawal from the 2020 Reserve Account to pay the interest on 2020 Bonds to the extent that less than the Reserve Account Requirement is on deposit in the 2020 Reserve Account, and, the balance, if any, deposited into the 2020 Interest Account; and
- (vi) the balance shall remain in the 2020 Revenue Account.

On the forty-fifth day which precedes each Quarterly Redemption Date (or if such forty-fifth day is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the 2020 Prepayment Subaccount of the 2020 Redemption Account, and if the balance therein is greater than zero, shall transfer, but only after determining that following such transfer sufficient amounts will remain on deposit in the 2020 Revenue Account to make the transfers required in the following paragraph, from the 2020 Revenue Account for deposit into such 2020 Prepayment Subaccount, an amount sufficient to increase the amount on deposit therein to the next integral multiple of \$5,000, and, shall thereupon give notice and cause the extraordinary mandatory redemption of 2020 Bonds on the next

succeeding Quarterly Redemption Date in the maximum aggregate principal amount for which moneys are then on deposit in such 2020 Prepayment Subaccount in accordance with the provisions for extraordinary mandatory redemption of 2020 Bonds. Interest due in regard to such extraordinary mandatory redemption shall be paid from the 2020 Interest Account.

No later than each May 1 and November 1 (or if such May 1 or November 1 is not a Business Day, on the Business Day preceding such date), the Trustee shall transfer from amounts on deposit in the 2020 Revenue Account to the Funds and Accounts designated below, the following amounts in the following order of priority and apply such amounts as provided in the Indenture:

FIRST, to the 2020 Interest Account of the Debt Service Fund, an amount equal to the amount of interest payable on all 2020 Bonds then Outstanding on such May 1 or November 1, less any amount already on deposit in the 2020 Interest Account not previously credited. On May 1, 2021 the Trustee shall transfer from the 2020 Capitalized Interest Account to the 2020 Interest Account an amount equal to the lesser of the amount of interest due on the 2020 Bonds on such date or the amount on deposit in the 2020 Capitalized Interest Account. After May 1, 2021, any amounts in the Capitalized Interest Account shall be transferred to the 2020 Reserve Account if there is any deficiency therein and the remainder to the 2020 Acquisition and Construction Account if the Date of Completion has not yet occurred and if the Date of Completion has already occurred, to the 2020 Revenue Account;

SECOND, on each May 1, commencing May 1, 2021, to the 2020 Sinking Fund Account, an amount equal to the Amortization Installments or principal of 2020 Bonds due on such May 1, less any amounts already on deposit in such Account not previously credited;

THIRD, to the 2020 Reserve Account, the amount, if any, which is necessary to make the amount on deposit therein equal to the then 2020 Reserve Account Requirement; and

FOURTH, the balance shall be retained in the 2020 Revenue Account.

On any date required by the Tax Regulatory Covenants, the District shall give the Trustee written direction, and the Trustee shall, transfer from the 2020 Revenue Account to the 2020 Rebate Account established for the 2020 Bonds in the Rebate Fund in accordance with the Master Indenture and the Tax Regulatory Covenants, the amount due and owing to the United States, which amount shall be paid, to the United States, when due, in accordance with such Tax Regulatory Covenants. To the extent insufficient moneys are on deposit in the 2020 Revenue Account to make the transfer provided for in the immediately preceding sentence the District shall deposit with the Trustee from available moneys of the District the amount of any such insufficiency.

On or after November 2, beginning November 2, 2021 the balance on deposit in the 2020 Revenue Account on such November 2 shall (i) before the Date of Completion, be transferred into the 2020 Acquisition and Construction Account, and (ii) on and after the Date of Completion, shall be paid over to the District at the written direction of an Authorized Officer and used for any lawful purpose of the District; provided, however, that on the date of such proposed transfer the amount on deposit in the 2020 Reserve Account shall be equal to the 2020 Reserve Account Requirement, and, provided further, that the Trustee shall not have actual knowledge of an Event of Default under the Indenture relating to the 2020 Bonds, including payment of Trustee's fees and expenses then due.

Anything in the Indenture to the contrary notwithstanding, earnings on investments in all of the Funds and Accounts held as security for the 2020 Bonds shall be invested only in 2020 Investment Obligations, and further, earnings on investments in the 2020 Acquisition and Construction Account, 2020 Costs of Issuance Account, the 2020 Capitalized Interest Account and 2020 Revenue Account shall be retained as realized, in such Accounts and used for the purpose of such Accounts. Earnings on investments in the 2020 Sinking Fund Account, 2020 Interest Account and the 2020 Redemption Account including any subaccounts therein shall be deposited, as realized, to the credit of the 2020 Revenue Account and used for the purpose of such Account. Earnings on investments in the 2020 Reserve Account shall be applied as provided under "2020 Reserve Account" above.

BONDHOLDERS' RISKS

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the 2020 Bonds offered hereby and are set forth below. Investment in the 2020 Bonds poses certain economic risks. Prospective investors in the 2020 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 2020 Bonds and have the ability to bear the economic risks of such prospective investment, including a complete loss of such investment. This section does not purport to summarize all risks that may be associated with purchasing or owning the 2020 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety for a more complete description of investment considerations relating to the 2020 Bonds.

(1) As of the date hereof, the Landowner owns all of the lands in the District subject to the Series 2020 Assessments securing the 2020 Bonds. Payment of the Series 2020 Assessments is primarily dependent upon their timely payment by the Landowner and subsequent landowners in the District. See "NORTHEAST SECTOR – Land Sale/Contract Activity" herein. Non-payment of the Series 2020 Assessments by the Landowner or any subsequent significant landowner would have a substantial adverse impact upon the District's ability to pay debt service on the 2020 Bonds.

(2) In the event of the institution of bankruptcy or similar proceedings with respect to the Landowner or any other owner of benefited property, delays could occur in the payment of debt service on the 2020 Bonds as such bankruptcy could negatively impact the ability of: (i) the Landowner and any other landowner being able to pay the Series 2020 Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2020 Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2020 Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the 2020 Bonds under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, the remedies specified by federal, state and local law and in the Indenture and the 2020 Bonds, including, without limitation, enforcement of the obligation to pay Series 2020 Assessments and the ability of the District to foreclose the lien of the Series 2020 Assessments if not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2020 Bonds (including Bond Counsel's approving opinion) will be qualified as to the enforceability of the various legal instruments by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery. The inability, either partially or fully, to enforce remedies available with respect to the 2020 Bonds could have a material adverse impact on the interest of the Owners thereof.

In addition to the general bankruptcy and similar proceedings risks discussed above, a 2011 bankruptcy court decision in Florida held that the governing body of a community development district, which is a special purpose government similar to the District, and not the bondholders or indenture trustee, was the creditor of the landowner/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an Insolvent Taxpayer. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2020 BONDS – Indenture Provisions Relating to Bankruptcy or Insolvency of Landowner." The District cannot express any view whether such delegation would be enforceable and none of the legal opinions provided in connection with the issuance of the 2020 Bonds will opine to the enforceability of such provision.

(3) The principal security for the payment of the principal of and interest on the 2020 Bonds is the timely collection of the Series 2020 Assessments. The Series 2020 Assessments do not constitute a personal indebtedness of the owners of the land subject thereto, but are secured only by a lien on such land. There is no assurance that the current and subsequent owners of this land will be able to pay the Series 2020 Assessments or that they will pay such Series 2020 Assessments even though financially able to do so. Beyond legal delays that could result from bankruptcy, the ability of the County to sell tax certificates (to the extent that any portion of the Series 2020 Assessments are being collected by the Uniform Method of Collection) 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. The determination of the benefits to be received by the land within the District as a result of implementation and development of the Northeast Sector Project – Phase 2A 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 2020 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 County to sell tax certificates relating to such land may be adversely affected (to the extent that any portion of the Series 2020 Assessments are being collected by the Uniform Method of Collection). Such adverse effect could render the District unable to collect delinquent Series 2020 Assessments, if any, and could negatively impact the ability of the District to make the full or punctual payment of Debt Service on the 2020 Bonds. The payment of the Series 2020 Assessments and the ability of the Tax Collector to sell tax

certificates or the District to foreclose the lien of the unpaid taxes, including the Series 2020 Assessments, may be limited by bankruptcy, insolvency, or other laws generally affecting creditors' rights or by the laws of the State relating to court foreclosure. Bankruptcy of a property owner will most likely also result in a delay by the Tax Collector or the District in prosecuting court foreclosure proceedings. Such delay would increase the likelihood of a delay or default in payment of and interest on the 2020 Bonds.

(4) The District is required to comply with statutory procedures in levying the Series 2020 Assessments. Failure of the District to follow these procedures could result in the Series 2020 Assessments not being levied or potential future challenges to such levy. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein.

(5) The District has not granted, and may not grant under Florida law, a mortgage or security interest in the Northeast Sector Project - Phase 2B. Furthermore, the District has not pledged the revenues, if any, from the operation of the Northeast Sector Project - Phase 2B as security for, or a source of payment of, the 2020 Bonds. Neither has the District covenanted to establish rates, fees and charges for the Northeast Sector Project - Phase 2B at any specified levels. The 2020 Bonds are payable primarily from, and secured by, the Series 2020 Assessments. The Landowner and any other landowner's obligation to pay the Series 2020 Assessments is limited solely to the obligation of any landowner to pay Series 2020 Assessments levied against its land. Neither the Landowner nor any other landowner is a guarantor of payment on any Series 2020 Assessments and the recourse for the Landowner's or any other landowner's failure to pay the Series 2020 Assessments is limited to its ownership interest in the assessed land.

(6) In addition to legal delays that could result from bankruptcy, the ability of the District to enforce collection of delinquent Series 2020 Assessments will be dependent upon various factors, including the delay inherent in any judicial proceeding to enforce the lien of the Series 2020 Assessments and the value of the land which is the subject of such proceedings and which may be subject to sale. If the District has difficulty in collecting the Series 2020 Assessments, the 2020 Reserve Account could be rapidly depleted and the ability of the District to pay Debt Service could be materially adversely affected. It is possible that the District will not have sufficient funds to fund the cost of any judicial proceeding and will be compelled to request the 2020 Bondholders to allow funds on deposit under the Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of 2020 Bond proceeds that can be used for such purpose.

(7) Owners should note that several mortgage lenders have, in the past, raised legal challenges to the primacy of the liens similar to those of the Series 2020 Assessments in relation to the liens of mortgages burdening the same real property.

(8) Some of the risk factors described herein, which, if materialized, would result in a delay in the collection of the Series 2020 Assessments, but may not affect the timely payment of debt service on the 2020 Bonds because of the 2020 Reserve Account established by the District for the 2020 Bonds. The ability of the 2020 Reserve Account to fund deficiencies caused by delinquent Series 2020 Assessments is dependent upon the amount, duration and frequency of such deficiencies. Moneys on deposit in the 2020 Reserve Account may be invested in certain obligations permitted under the Indenture. Fluctuations in interest rates and other market factors could affect the amount of moneys available in the 2020 Reserve Account to make up deficiencies.

(9) Prospective Bondholders should note that although the Indenture contains a 2020 Reserve Account Requirement for the 2020 Reserve Account, and a corresponding obligation on the part of the District to replenish the 2020 Reserve Account to the 2020 Reserve Account Requirement, if in fact that account is accessed for any purpose, the District does not have a designated revenue source for replenishing that fund other than from the collection of delinquent Series 2020 Assessments. Moreover, the District will not be permitted to assess real property burdened by the Series 2020 Assessments for the purpose of replenishing the 2020 Reserve Account.

(10) The willingness and/or ability of an owner of land within the District to pay the Series 2020 Assessments could be affected by the existence of other taxes and assessments imposed upon the land by the District or by the County, or by other public entities, which may be affected by the value of the land subjected to such taxation and assessment. Under the Uniform Method of Collection, municipal, school, special district taxes and assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on bonds, including the Series 2020 Assessments if collected pursuant to the Uniform Method, are generally payable at one time. If a taxpayer does not make complete payment, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. In such case, the Tax Collector does not accept such partial payment; provided, however, that if a taxpayer has commenced legal proceedings contesting the levy or amount of an ad valorem tax and possibly a non-ad valorem assessment, a tax collector may accept a partial

payment of the ad valorem tax, and possibly, the non-ad valorem assessment as described under "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. If a taxpayer disputes all or a portion of the Series 2020 Assessments, and pays the balance of ad valorem taxes and non-ad valorem assessments which the taxpayer in good faith admits to be owing, this could possibly cause a delay in the collection of the Series 2020 Assessments, 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 2020 Bonds. Public entities whose boundaries overlap those of the District, such as the County and the County school district, could, without the consent of the owners of the land within the District, impose additional taxes or assessments on the property within the District. The District has no control over the amount of taxes or assessments levied by governmental entities other than the District. The lien of the Series 2020 Assessments is, however, of equal dignity with such other public entities' taxes and assessments. In regard to any Series 2020 Assessments collected directly by the District rather than using the Uniform Method, the sale of tax certificates as described herein would not be an available remedy. In addition, the District has imposed or may also impose additional assessments, including for its operation, maintenance and administrative expenses, which will encumber the property burdened by the Series 2020 Assessments.

(11) The development of the Northeast Sector including the 2020 Assessment Area may be affected by changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of any landowner developing property in the Northeast Sector including the 2020 Assessment Area. Although the property is anticipated to be developed as described herein, there can be no assurance that such development will occur or be realized in the manner or schedule currently anticipated. In addition, the proposed development within the Northeast Sector including the 2020 Assessment Area 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 required improvements, both public and private, and construction of the Northeast Sector Project in accordance with applicable zoning, land use and environmental regulations for the Northeast Sector including the 2020 Assessment Area. The schedule of development as described herein will be affected by the ability to obtain any such approvals in a timely manner, which may negatively impact any landowner's desire or ability to develop the Northeast Sector as contemplated. See "APPENDIX "A" –ENGINEER'S REPORT attached hereto for a discussion of permits and approvals.

(12) Proceeds of the 2020 Bonds will only fund a portion of the Northeast Sector Project. Pursuant to an existing Completion Agreement with the District, the Landowner has agreed to fund the remaining costs of the Northeast Sector Project to the extent that proceeds of the 2020 Bonds and future series of Bonds anticipated to be issued by the District to fund the Northeast Sector Project are not sufficient to do so (by providing funds to the District to enable it to complete that portion of the Northeast Sector Project or by completing such portion of the Northeast Sector Project and conveying it to the District); provided, however, such obligations are unsecured.

(13) The District may have incomplete information concerning the Northeast Sector and the Landowner. For example, the District has limited information concerning the condition of the land in the Northeast Sector, its suitability for future development or its value. Furthermore, except to the extent described in this Limited Offering Memorandum under the caption "NORTHEAST SECTOR", the District has not been provided information regarding the Landowner and the Northeast Sector and has not undertaken to independently verify or confirm any such information.

(14) Failure to complete development or substantial delays in the completion of the development of the lands subject to the Series 2020 Assessments due to litigation or other causes may reduce the value of lands in the Northeast Sector and increase the length of time during which Series 2020 Assessments will be payable from undeveloped property and may affect the willingness and ability of the owners of such property to pay the Series 2020 Assessments when due.

(15) The interest rates borne by the 2020 Bonds are in general, higher than interest rates borne by other bonds of more established political subdivisions with varied revenue sources that do not involve the same degree of risk as investment in the 2020 Bonds. These higher interest rates are intended to compensate investors in the 2020 Bonds for the risk inherent in a purchase of the 2020 Bonds. However, such higher interest rates, in and of themselves, increase the amount of Series 2020 Assessments that the District must levy in order to provide for payments of debt service on the 2020 Bonds, and, in turn, may increase the burden upon owners of lands within the District, thereby possibly increasing the likelihood of non-payment or delinquency in payment of such Series 2020 Assessments.

(16) There is no assurance that a liquid secondary market will exist for the 2020 Bonds in the event a Beneficial Owner thereof determines to solicit purchasers of the 2020 Bonds. Even if a liquid secondary market exists, as with any marketable securities, there can be no assurance as to the price for which the 2020 Bonds may be sold. Such price may be lower than that paid by the current Beneficial Owner of the 2020 Bonds, depending on the progress of the

Northeast Sector, existing real estate and financial market conditions. See Item No. 17 below for other matters that may adversely impact the availability of a liquid secondary market for the 2020 Bonds and the value of the 2020 Bonds. See BONDHOLDERS' RISKS—Item No. 17", and "SUITABILITY FOR INVESTMENT" herein.

(17) The Internal Revenue Service (the "IRS") routinely examines bonds issued by state and local governments, including bonds issued by community development districts. The IRS has concluded its lengthy examination of certain issues of bonds (for purposes of this subsection, the "Audited Bonds") issued by Village Center Community Development District (the "Village Center CDD"). During the course of the audit of the Audited Bonds, Village Center CDD received a ruling dated May 30, 2013, in the form of a non-precedential technical advice memorandum ("TAM") concluding that Village Center CDD is not a political subdivision for purposes of Section 103(a) of the Code because Village Center CDD was organized and operated to perpetuate private control and avoid indefinitely responsibility to an electorate, either directly or through another elected state or local government body. Such a conclusion could lead to the further conclusion that the interest on the Audited Bonds was not includable 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 as to 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 interest on the Audited Bonds should 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 special purpose 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.

It has been reported that the IRS has recently closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within five years of the issuance of tax-exempt bonds or their bonds may be determined to be taxable retroactive to the date of issuance. Currently, all members of the Board of the District were elected by affiliates of the Landowner and other landowners within the District and none were elected by qualified electors.

Owners of the 2020 Bonds are advised that, if the IRS does audit the 2020 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 2020 Bonds may have limited rights to participate in those proceedings. The commencement of such an audit could adversely affect the market value and liquidity of the 2020 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 2020 Bonds, it is unlikely the District will have available revenues to enable it to contest such determination or enter into a voluntary financial settlement with the IRS. Further, an adverse determination by the IRS with respect to the tax-exempt status of interest on the 2020 Bonds would adversely affect the availability of any secondary market for the 2020 Bonds. Should interest on the 2020 Bonds become includable in gross income for federal income tax purposes, not only will Owners of 2020 Bonds be required to pay income taxes on the interest received on such 2020 Bonds and related penalties, but because the interest rate on such 2020 Bonds will not be adequate to compensate Owners of the 2020 Bonds for the income taxes due on such interest, the value of the 2020 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATE ON THE 2020 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE 2020 BONDS. PROSPECTIVE PURCHASERS OF THE 2020 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE 2020 BONDS IN THE EVENT THAT THE INTEREST ON THE 2020 BONDS BECOMES TAXABLE AND/OR THE DISTRICT IS EVER DETERMINED TO NOT BE A POLITICAL SUBDIVISION FOR PURPOSES OF THE CODE AND/OR SECURITIES ACT (AS HERINAFTER DEFINED).

(18) Since the 2020 Bonds have not been and will not be registered under the Securities Act of 1933, as amended, or any state securities laws, if the District is ever deemed, by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could also determine that the District is not a political subdivision for purposes of the federal and state securities laws. Accordingly, the District and purchasers of 2020 Bonds may not be able to rely on the exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"), relating to securities issued by political subdivisions. In that event the Owners of the 2020 Bonds would need to ensure that subsequent transfers of the 2020 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

(19) Various proposals are mentioned from time to time by members of the Congress of the United States of America and others concerning reform of the internal revenue (tax) laws of the United States. In addition, the Service may, in the future, issue rulings that have the effect of changing the interpretation of existing tax laws. Certain of these proposals and interpretations, if implemented or upheld, could have the effect of diminishing the value of obligations of states and their political subdivisions, such as the 2020 Bonds, by eliminating or changing the tax-exempt status of interest on certain of such bonds. Whether any of such proposals will ultimately become or be upheld as law, and if so, the effect such proposals could have upon the value of bonds such as the 2020 Bonds, cannot be predicted. However, it is possible that any such law or interpretation could have a material and adverse effect upon the availability of a liquid secondary market and/or the value of the 2020 Bonds. See also "TAX MATTERS."

(20) It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or special districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, and, if adopted, the form thereof. On October 31, 2014, the Auditor General of the State released a 31-page report which requests legislative action to establish parameters on the amount of bonds a community development district may issue and provide additional oversight for special district bonds. This report renews requests made by the Auditor General in 2011 that led to the then Governor of Florida issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the 2020 Bonds. It should be noted that Section 10(p) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under this act that it will not limit or alter the rights of the district ... to levy and collect the ... assessments ... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not in any way impair the rights or remedies of such holders."

(21) In the event a bank forecloses on property because of a default on the mortgage 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 2020 Assessments. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.

(22) The value of the land and successful development of the Northeast Sector and the likelihood of timely payment of principal and interest on the 2020 Bonds could be affected by environmental factors with respect to such land. 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. The value of the lands subject to the Series 2020 Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the lands in the 2020 Assessment Area unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the 2020 Bonds. The 2020 Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

(23) If the District should commence a foreclosure action against a landowner for nonpayment of Series 2020 Special Assessments and if the Series 2020 Assessments are not being collected pursuant to the Uniform Method, such landowners may raise affirmative defenses to such foreclosure action. Even if such affirmative defenses were proven to be without merit, such affirmative defenses could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Series 2020 Bondholders to allow funds on deposit under the

Indenture to be used to pay the costs of the foreclosure action. Under the Code, there are limitations on the amounts of Series 2020 Bond proceeds that can be used for such purpose.

(24) Under Florida law, a landowner may contest the assessed valuation determined for its property which forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2020 Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to the Series 2020 Assessments even though the landowner is not contesting the amount of such Series 2020 Special Assessment.

(25) No application for credit enhancement or a rating on the 2020 Bonds has been made, nor is there any reason to believe that the District would have been successful in obtaining either for the 2020 Bonds had application been made.

(26) In addition to the general economic conditions discussed above, the timely and successful completion of the development of the 2020 Assessment Area, the purchase of lots therein by builders and the construction and sale to end users of residential units may be adversely impacted by the continued spread of the novel strain of coronavirus called COVID-19 or by other highly contagious or epidemic or pandemic diseases. The United States, the State of Florida and Manatee County have all imposed certain health and public safety restrictions in response to COVID-19. The District cannot predict the duration of these restrictions or whether additional or new actions may be taken by government authorities including the State and/or Manatee County, to contain or otherwise address the impact of the COVID-19 or similar outbreak.

To date, the outbreak has resulted in severe impacts on global financial markets, unemployment levels and commerce generally. The District and the Landowner cannot predict the duration of the current COVID-19 outbreak, and the ultimate impact the COVID-19 outbreak may have on the development of the 2020 Assessment Area is unknown. It is possible that delays in lot purchases by builders, construction delays, delays in the receipt of permits or other government approvals, delays in sales to end users or other delays could occur, or continue to occur, as applicable, as a result of the COVID-19 outbreak or other highly contagious or epidemic or pandemic diseases that adversely impact the 2020 Assessment Area.

(27) 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 parities' digital systems for the purposes of misappropriating assets or information or causing operational disruption and damage. No assurances can be given that any such attack(s) will not materially impact the operations or finances of the District, which could impact the timely payment of debt service on the 2020 Bonds.

(28) In addition to being subject to optional and mandatory sinking fund redemptions, the 2020 Bonds are subject to extraordinary mandatory redemption as a result of prepayments of the Series 2020 Assessments. Any such redemptions of the 2020 Bonds would be at the principal amount of such 2020 Bonds being redeemed plus accrued interest to the date of redemption. In such event, owners of the 2020 Bonds may not realize their anticipated rate of return on the 2020 Bonds, and owners of any Premium Bonds (as defined herein), if any, may receive less than the price they paid for the 2020 Bonds. See "DESCRIPTION OF THE 2020 BONDS – Redemption Provisions" herein for more information.

This section does not purport to summarize all risks that may be associated with purchasing or owning the 2020 Bonds and prospective purchasers are advised to read this Limited Offering Memorandum in its entirety (inclusive of Appendices) for a more complete description of investment considerations relating to the 2020 Bonds.

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THE DISTRICT

General

The District is an independent local unit of special-purpose government of the State and an independent special district created pursuant to the Act, a special act of the Florida legislature.

Governance

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. The Act provides that within 90 days after formation of the District, an election must be held pursuant to which Supervisors were elected on an at-large basis by the owners of the property within the District. Such election was held in accordance with the Act. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number).

The Act provides that there shall be an election by landowners for the District every 2 years on the first Tuesday after the first Monday in November. Each supervisor elected on or after November 2006 shall serve a 4-year term. Supervisors shall begin being elected by qualified electors of the District as the District becomes populated with qualified electors. The transition shall occur such that the composition of the Board, after the first general election following a trigger of the qualified elector population thresholds set forth below, shall be as follows:

(i) Once 10,000 qualified electors reside within the District, one governing board member shall be a person who was elected by the qualified electors and four governing board members shall be persons who were elected by the landowners.

(ii) Once 20,000 qualified electors reside within the District, two governing board members shall be persons who were elected by the qualified electors and three governing board members shall be persons elected by the landowners.

(iii) Once 30,000 qualified electors reside within the District, three governing board members shall be persons who were elected by the qualified electors and two governing board members shall be persons who were elected by the landowners.

(iv) Once 40,000 qualified electors reside within the District, four governing board members shall be persons who were elected by the qualified electors and one governing board member shall be a person who was elected by the landowners.

(v) Once 45,000 qualified electors reside within the District, all five governing board members shall be persons who were elected by the qualified electors.

All Supervisors elected by qualified electors shall be elected at large. Supervisors are subject to ethics and conflict of interest laws of the state that apply to all local public officers. They shall hold office for the terms for which they were elected or appointed and until their successors are chosen and qualified. If, during the term of office, a vacancy occurs, the remaining members of the board shall fill each vacancy by an appointment for the remainder of the unexpired term.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, all Supervisors shall be elected by qualified electors in the District and the Supervisors so selected must be qualified electors.

Any elected member of the Board of Supervisors may be removed by the Governor for malfeasance, misfeasance, dishonesty, incompetence or failure to perform the duties imposed upon him or her by the Act, and any vacancies that may occur in such office for such reasons shall be filled by the Governor as soon as practicable.

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.

The current members of the Board and the expiration of their terms are set forth below:

Name	Title	Expiration of Term
Rex Jensen	Chair	November, 2020
Tony Chiofalo	Vice Chair/ Assistant Secretary	November, 2020
J. Scott Almand	Treasurer	November, 2022
Jim Schier	Assistant Secretary	November, 2022
Ed Hunzeker	Assistant Secretary	November, 2022

All of the current Board members are employees of SMR other than Mr. Schier and Mr. Hunzeker. See "LAKEWOOD RANCH" herein.

Powers and Authority

As a special district, the District has only those powers specifically delegated to it by the Act or necessarily implied from powers specifically delegated to it. In addition to the power to issue the Bonds to finance a portion of the costs of the Northeast Sector Project, among other provisions, the Act gives the District the power (i) to lease as lessor or lessee to or from any person, firm, corporation, association, or body, public or private, any projects of the type that the District is authorized to undertake and facilities or property of any nature for the use of the District to carry out the purposes authorized by the Act; (ii) to borrow money and issue bonds, certificates, warrants, notes or other evidence of indebtedness as provided in the Act, to levy such taxes and assessments as may be authorized and to charge, collect and enforce fees and other user charges; (iii) to raise, by user charges or fees authorized by resolution of the Board of Supervisors, amounts of money which are necessary for the conduct of the District activities and services and to enforce their receipt and collection in the manner prescribed by resolution not inconsistent with law; (iv) to exercise within the District, or beyond the District with prior approval by vote of a resolution of the governing body of the county if the taking will occur in an unincorporated area in that county, the right and power of eminent domain over any property within the state, except municipal, county, state, and federal property, for the uses and purpose of the District relating solely to water, sewer, District roads and water management, specifically including, without limitation, the power for the taking of easements for the drainage of the land of one person over and through the land of another; (v) to cooperate with, or contract with, other governmental agencies as may be necessary, convenient, incidental, or proper in connection with any of the powers, duties or purposes authorized by the Act; (vi) to assess and to impose upon lands in the District ad valorem taxes as provided by the Act; (vii) to determine, order, levy, impose, collect and enforce assessments pursuant to the Act and Chapter 170, Florida Statutes, as amended from time to time, pursuant to authority granted in Section 197.3631, Florida Statutes or pursuant to other provisions of general law now or hereinafter enacted; and (viii) to exercise all of the powers necessary, convenient, incidental or proper in connection with any other powers or duties or the special purpose of the District authorized by the Act.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances, and the Act does not empower the District to grant building permits; these functions are performed by the general purpose local government, acting through its governing body and its departments of government.

The Act exempts all property of the District from levy and sale by virtue of an execution and from judgment liens, but does not limit the right of any owner of bonds of the District to pursue any remedy for enforcement of any lien or pledge of the District in connection with any of its debt obligations.

The District Manager

The Act requires the Board to hire a district manager. 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 provision 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 Act further provides that it shall not be a conflict of interest under Chapter 112, Florida Statutes, for a Supervisor, the district manager, or another employee of the District to be a stockholder, officer or employee of a landowner.

PFM Group Consulting LLC serves as the District Manager.

Outstanding Debt of the District

The District has issued multiple series of special assessment bonds which are currently outstanding and listed below. None of such series of bonds has a lien on the 2020 Trust Estate nor are secured by special assessments levied on the same lands as the Series 2020 Assessments.

- \$5,720,000 Special Assessment Revenue Bonds, Series 2010A (Central Park Project) issued on July 12, 2010 and currently outstanding in the amount of \$2,740,000.
- \$1,765,000 Special Assessment Revenue Bonds, Series 2011 (Belle Isle Project) issued on May 13, 2011 and currently outstanding in the amount of \$1,455,000.
- \$8,500,000 Special Assessment Revenue Bonds, Series 2013A (Country Club East Project) issued on July 26, 2013 and currently outstanding in the amount of \$7,610,000.
- \$7,535,000 Special Assessment Revenue Bonds, Series 2013A (Central Park Project) issued on August 5, 2013 and currently outstanding in the amount of \$6,450,000.
- \$12,145,000 Special Assessment Revenue Bonds, Series 2014A (Country Club East Project) issued on October 14, 2014 and currently outstanding in the amount of \$10,965,000.
- \$37,360,000 Special Assessment Revenue Bonds, Series 2015 (Lakewood Center North Project) issued on February 9, 2015 and currently outstanding in the amount of \$31,280,000.
- \$79,505,000 Special Assessment Revenue Bonds, Series 2016 (Villages of Lakewood Ranch South Project) issued on February 8, 2016 and currently outstanding in the amount of \$66,445,000.
- \$49,480,000 Special Assessment Revenue Bonds, Series 2017 (Lakewood National and Polo Run Projects) issued on February 21, 2017 and currently outstanding in the amount of \$47,125,000.
- \$14,805,000 Special Assessment Revenue Bonds, Series 2017 (Del Webb Project) issued on May 8, 2017 and currently outstanding in the amount of \$13,995,000.
- \$33,000,000 (Not to Exceed) Bond Anticipation Note, Series 2017 (Northeast Sector Project) issued on September 8, 2017 and currently outstanding in the amount of \$2,978,116.07.
- \$14,548,000 Special Assessment Revenue Refunding Bonds, Series 2017 (Lake Club Project) issued on September 29, 2017 and currently outstanding in the amount of \$11,562,000.
- \$14,925,000 Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project —Phase 1 A) issued on August 30, 2018 and currently outstanding in the amount of \$14,675,000.
- \$36,185,000 Special Assessment Revenue Bonds, Series 2018 (Northeast Sector Project — Phase 1 B) issued on December 10, 2018 and currently outstanding in the amount of \$35,610,000.
- \$11,790,000 Special Assessment Revenue Bonds, Series 2018 (Lakewood Centre and NW Sector Projects) issued on December 10, 2018 and currently outstanding in the amount of \$11,070,000.
- \$7,580,000 Special Assessment Revenue Bonds, Series 2019 (The Isles at Lakewood Ranch Project – Phase I) issued on April 8, 2019 and currently outstanding in the amount of \$7,450,000.
- \$9,125,000 Special Assessment Revenue Bonds, Series 2019 (Lake Club Phase 4 Project) issued on May 20, 2019 is currently outstanding in the approximate principal amount of \$8,820,000.
- \$5,005,000 Special Assessment Revenue Bonds, Series 2019 (Cresswind Project) issued on May 20, 2019 is currently outstanding in the principal amount of \$4,920,000.

- \$4,775,000 Special Assessment Revenue Bonds, Series 2019 (Indigo Expansion Area Project) issued on September 9, 2019 and currently outstanding in the amount of \$4,685,000.
- \$5,585,000 Special Assessment Revenue Bonds, Series 2019 (Northeast Sector Project — Phase 2A) issued on November 4, 2019 and currently outstanding in the amount of \$5,585,000.
- \$12,670,000 Special Assessment Revenue Bonds, Series 2019 (Azario Project) issued on December 9, 2019 and currently outstanding in the amount of \$12,670,000.
- \$19,195,000 Special Assessment Revenue Refunding Bonds, Series 2020 (Country Club East Project) issued on July 15, 2020 and currently outstanding in the amount of \$19,195,000.
- \$29,100,000 Special Assessment Revenue Refunding Bonds, Series 2020A (Lakewood Centre and NW Sector Projects) issued on September 10, 2020 and currently outstanding in the amount of \$29,100,000.
- \$6,655,000 Special Assessment Revenue Bonds, Series 2020 (Azario Project) issued on September 16, 2020 and currently outstanding in the amount of \$6,655,000.
- \$10,655,000 Special Assessment Revenue Bonds, Series 2020 (Lorraine Lakes Project) issued on September 29, 2020 and currently outstanding in the amount of \$10,655,000.

ASSESSMENT METHODOLOGY

The District's Methodology Consultant has prepared the Master Assessment Methodology Report (the "Master Report") and the Supplemental Assessment Methodology Report (the "Supplemental Report, and together with the Master Report, the "Assessment Reports") attached hereto as APPENDIX E. The Assessments Reports provide a methodology to allocate the total benefit derived from the Northeast Sector Project (hereinafter defined) to each of the land uses planned in the Northeast Sector on a fully financed basis. Initially, the special assessments are allocated on an equal acreage basis to the specific assessment area. As parcels of land are sold by the Landowner with specific entitlements assigned thereto, the special assessments are then allocated to such parcel or parcels based upon the amount of transferred entitlements. While the special assessment calculations are benefit driven, the actual amounts to be assessed to a particular parcel may be less due to contractual arrangements that the Landowner may enter into with one or more buyers thereby resulting in the prepayment or contribution of infrastructure to satisfy the special assessments allocated to a particular parcel in its entirety or partially. The table below illustrates the maximum principal allocation per unit or square foot for the various land uses and product types planned within the Northeast Sector.

<u>Land Use/Product Type</u>	<u>Maximum Principal Per Unit/Square Foot</u>	<u>Gross Annual Debt Service Per Unit/Square Foot</u>
Single-Family	\$11,837	\$925
Age-Restricted	\$10,653	\$832
Apartment	\$7,102	\$555
Commercial	\$12	\$0.92

THE NORTHEAST SECTOR PROJECT

The District Engineer has prepared the Engineer's Report (the "Engineer's Report") attached hereto as APPENDIX A describing the capital improvement program for the Northeast Sector (the "Northeast Sector Project") which is estimated to cost approximately \$84.7 million. The Northeast Sector Project includes roads, water, sewer, water management, landscape/hardscape, related professional services and contingency. Enumeration of the costs of the Northeast Sector Project are provided in the table below.

<u>Cost Category</u>	<u>Estimated Cost</u>
Land Planning	\$450,000

Engineering, Surveying & Consultants	6,047,900
Uihlein Road - Additional Landscaping	225,000
Uihlein Road - Lennar to 44 th	10,689,697
Uihlein Road - 44th to SR 64	7,870,011
Uihlein Road & SR 64 intersection	1,261,528
44th Avenue - Lorraine to Bourneside	20,565,311
Bourneside Blvd - Lennar to 44 th	5,839,598
Bourneside Blvd - 44th to SR 64	6,130,414
Rangeland Parkway - Lorraine to Uihlein	10,913,478
Rangeland Parkway - Uihlein to Bourneside	9,027,156
Post Road - North to Rangeland	3,471,800
Bourneside Blvd - Additional 2 Lanes	340,000
Master Contingency - 3.5%	<u>1,848,588</u>
TOTAL	\$84,680,481

As more fully discussed under the heading "NORTHEAST SECTOR – District Infrastructure/Finance Plan", it is the intent of the District to issue multiple series of Bonds to fund a portion of the Northeast Sector Project to support the continuous construction of the District's infrastructure improvements included as part of the Northeast Sector Project. Proceeds of the District's FCB Note (hereinafter defined), the 2018 Phase 1A Bonds, the 2018 Phase 1B Bonds and the 2019 Phase 2A Bonds funded a portion of the Northeast Sector Project in the estimated amount of \$51.9 million all of which has been expended to date. Proceeds of the 2020 Bonds will be used to retire the entire outstanding balance of the FCB Note, as discussed further herein, and fund additional portions of the Northeast Sector Project in the estimated amount of \$5.1 million, referred to herein as the "Northeast Sector Project – Phase 2B".

LAKWOOD RANCH

The information included under this heading has been furnished by SMR for the purpose of describing a brief history of Lakewood Ranch. Information regarding the land to be encumbered by the Series 2020 Assessments as well as information regarding the Development can be found under the heading "NORTHEAST SECTOR." 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 SMR, 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 2020 Bonds, SMR will represent in writing that the information herein under the captions "LAKEWOOD RANCH," do 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 the light of the circumstances under which they are made, not misleading.

General

Lakewood Ranch is an age-diverse, mixed use planned community located in Manatee and Sarasota counties east of Interstate 75 and is accessible from four Interstate 75 interchanges at Fruitville Road, University Parkway, State Road 70 and State Road 64. Downtown Sarasota is located approximately ten (10) miles southwest of Lakewood Ranch, downtown Bradenton is located approximately twelve (12) miles to the northwest and the Sarasota/Bradenton International Airport is located approximately six (6) miles to the west.

The approximately fifty (50) square mile core area of Lakewood Ranch was originally purchased by the Uihlein family in 1922 from the family of John Schroeder, who assembled the property in the early 1900's as a timber plantation. The planned community has since expanded in all directions and now includes approximately fifty-five (55) square miles. The unsold/undeveloped portions of Lakewood Ranch are owned by Schroeder-Manatee Ranch, Inc. ("SMR"), a Delaware corporation or affiliated entities that are owned directly or beneficially by the various branches of the Uihlein family of Milwaukee, Wisconsin, founders of the Joseph Schlitz Brewing Company.

SMR, through its subsidiaries, conducts or oversees a diversified base of activities at Lakewood Ranch including real estate sales, country club operations, commercial investment and development; raising beef cattle; turf farming and nursery operations. SMR also previously conducted a significant shell and aggregate mining operation that produced materials for road building and, as a by-product, created large lakes that serve as major amenities for the community.

SMR's 33,000 square foot headquarters building is situated in Lakewood Ranch on Covenant Way just east of Lorraine Road and north of University Parkway.

Existing Development

Since development activities commenced in 1994, a significant amount of residential, commercial, office, retail, civic and institutional development has occurred at Lakewood Ranch in both Manatee and Sarasota counties, spanning more than 10,000 acres. Development activities in Manatee County (north of University Parkway) initially were governed by two (2) Developments of Regional Impact (DRIs) known as Cypress Banks and University Lakes, which are generally situated east of Interstate 75, south of State Road 70 and North of University Parkway (which generally is the Manatee and Sarasota County line). Five (5) community development districts have been established for the purpose of acquiring, constructing and maintaining a portion of the public infrastructure necessary to serve the lands within these two (2) DRIs. Until 2017, development activities in Sarasota County (south of University Parkway) were predominantly commercial and office oriented and have been governed by the Lakewood Ranch Corporate Park DRI. However, the approval of the Villages of Lakewood Ranch South Development of Regional Impact provided for the development of residential land uses in portions of Lakewood Ranch located in Sarasota County where a new community known as "Waterside" is being developed that is approved for 5,144 residential entitlement units with transportation concurrency for all of the residential units as well as for two (2) retail village centers.

SMR has undertaken extensive long-term planning of its remaining undeveloped acreage serving to enhance the value of its land holdings. As part of that effort, SMR facilitated the establishment of the District, the boundaries of which include all 25,000+ acres of Lakewood Ranch land that was undeveloped at the time of establishment. Since the establishment of the District, a significant amount of entitlement and development activity has occurred including the approval of (i) a comprehensive plan amendment, providing for flexible land uses and densities for approximately 7,500 acres located north of State Road 70 and east of Lorraine Road in Manatee County, and (ii) two (2) developments of regional impact known as the Lakewood Centre DRI and Northwest Sector DRI that have been expanded to include additional land north of State Road 70 and west of Lorraine Road.

Sales activity at Lakewood Ranch commenced in 1994. Today, Lakewood Ranch is home to more than 14,300 households with an estimated population in excess of 30,000 based upon various Census reports and marketing study estimates. In 2015, 534 new homes were sold in Lakewood Ranch, ranking it eighth in new home sales for master planned communities in the United States by RCLCO. In 2016, 778 new homes were sold in Lakewood Ranch, ranking it fourth in new home sales for master planned communities in the United States by RCLCO. In 2017, 1,206 new homes were sold in Lakewood Ranch, ranking it third in new home sales for master planned communities in the United States by RCLCO. In 2018, 1,482 new homes were sold in Lakewood Ranch, ranking it second in new home sales for master planned communities in the United States by RCLCO. In 2019, 1,648 new homes were sold in Lakewood Ranch, ranking it second in new home sales for master planned communities in the United States by RCLCO. From January 1, 2020 through June 30, 2020, approximately 838 new homes were sold in Lakewood Ranch. In each of the last three (3) years, approximately 28,000 people passed through the information centers and model homes within Lakewood Ranch. In addition to the residential activity described above, approximately 4.5 million square feet of nonresidential mixed-use space has been constructed of which an estimated 4.3 million square feet is occupied. Based upon information obtained by SMR from the Economic Development Council, Lakewood Ranch as a whole is currently exhibiting a rate of occupancy 10% greater than that of the Sarasota/Manatee County area as whole.

The following information is a description of certain of the aforementioned development and sales activity that has occurred through June 30, 2020.

Lakewood Ranch Community Development District 1: Summerfield/Riverwalk

Development activities in Summerfield commenced in 1994 and sales of finished lots to builders started shortly thereafter. Summerfield, together with Riverwalk, comprise approximately 980 acres of residential and commercial properties. These villages are bounded on the north by State Road 70, on the east by the Braden River and Country Club Village and on the south and west by the River Club development (an adjacent community which is not part of Lakewood Ranch). The residential component includes approximately 1,782 homesites situated within eighteen (18) neighborhoods. Development of the homesites is complete and all of the lots were sold to builders at an average sales pace of approximately 225 per year. The builders in turn constructed and sold homes to retail buyers that originally ranged in size from 1,100 to 2,500 square feet and in price from the high \$90,000's to \$375,000 +. These villages are characterized by many lakes and a community park that contains ball fields for soccer and baseball/softball, basketball courts, tennis courts, a playground and tot lot. In addition, the Braden River Nature Trail forms a community park connecting two (2) large

lakes with the 110-acre Herons Nest Nature Park. The buyer profile in Summerfield and Riverwalk included mostly first-time home buyers with some retirees and move-up buyers.

Adjacent to State Road 70 is an approximately nine- (9) acre retail/commercial site which contains, amongst other owners/tenants, M&I Bank, and approximately ten (10) retail tenants including Subway and Kids 'R' Kids Child Care Center that provides child care for infants through school age children in a structured educational environment.

Lakewood Ranch Community Development District 2: Edgewater Village/Country Club South

Development activities in Country Club South and Edgewater Village commenced in 1996 and sales of finished lots to builders started shortly thereafter. Country Club South together with Edgewater Village contain approximately 1,374 acres of residential and commercial property and are bounded on the south by University Parkway, on the east by Lorraine Road, on the north by Country Club North and on the west by Lakewood Ranch Boulevard. These two (2) villages include 1,033 single-family units and 728 condominium units nestled around Lake Uihlein and Main Street (hereinafter described). Since sales commenced, all of the single-family homesites and substantially all of the condominium units have been sold to builders. The builders have in turn sold all of the single-family homes and 656 condominium units to retail buyers.

Edgewater Village includes neighborhoods with homes built around Lake Uihlein, a 160-acre lake, and is in close proximity to the Lakewood Ranch Town Center and the Athletic Club (discussed herein). Also located within Edgewater Village is The Wharf Park which includes places to fish, launch a boat or enjoy the sunsets and expansive views on the lake. Custom single-family homes in Edgewater Village were originally offered at prices ranging from the mid \$100,000's to \$400,000 and in size from 1,100 to over 3,000 square feet.

Country Club South includes neighborhoods built around the Arnold Palmer designed Legacy Golf Course, a daily fee course open to the public. Single-family homes range from full maintenance condos to detached villas with maintenance-free lawn service to grand scale estate residences. Home sizes range from 1,350 to over 4,000 square feet and in price from the mid \$100,000's to \$2 million +. Miles of sidewalks and trails offer easy access to the 10,000 square foot Legacy Clubhouse, the Athletic Club and all of Lakewood Ranch.

Located adjacent to the villages of Edgewater and Country Club South is the Athletic Club at Lakewood Ranch (the "Athletic Club") which opened its first phase tennis facility in the spring of 1998. Since then this facility has added more courts, a fitness center and aquatics club. Such facilities are part of the LWR G&CC (defined herein) and include the following:

Tennis Center

- Twenty (20) Har-Tru Clay tennis courts with eighteen (18) lighted, including a stadium court, featuring an underground Hydro Grid watering system
- Host to several Professional & Collegiate Tournaments, Group Clinics and more than 80 leagues.
- 12 newly installed pickleball courts, with leagues, lessons and clinics offered.
- A full-service pro shop
- Men's and women's locker rooms

Fitness Center

- The 24-hour access Fitness Center has over sixty (60) pieces of the latest cardio equipment and state-of-the-art equipment. This facility is over 18,000 square feet and has four (4) full size fitness class studios. Other amenities include four fitness class studios, massage therapy, locker rooms and personal training.

Aquatic Center

- Heated Jr. Olympic eight (8) lane pool
- Heated resort style pool
- Swim programs/teams & Aquatic Classes

Adjacent to the villages of Country Club South and Edgewater Village is Main Street (described in more detail herein), a downtown mixed-use development area featuring specialty shops, outdoor restaurants, cafes, and condominiums. SMR and former joint venture partner Casto Lifestyle Properties developed Main Street. SMR is now the sole owner and manager of the mixed-use development.

Lakewood Ranch Community Development District 4: Greenbrook and Greenbrook East (Greenbrook Village)

Development activities in Greenbrook Village commenced in 2000 and sales to builders followed shortly thereafter. Greenbrook Village encompasses approximately 748 acres of residential property that is bounded on the north by State Road 70, on the east and the south by the Braden River and on the west by Summerfield Village. This village includes 1,462 single-family residential lots, along with 226 condominiums. Also included within Greenbrook Village is a recreational complex called Adventure Park with fields for soccer and baseball/softball, an in-line skate/hockey rink, basketball courts, a tot lot and dog park. In addition to Adventure Park, which is owned by Lakewood Ranch Community Development District 4 with reciprocal agreements with the other community development districts in Lakewood Ranch to ensure this amenity is enjoyed by all residents of Lakewood Ranch, SMR donated fifteen (15) acres for a public county park located in the eastern portion of Greenbrook Village.

Greenbrook Village is a family-oriented community that has primarily attracted young families. Homes in Greenbrook Village were originally being offered at prices ranging from the mid \$100,000's to \$700,000 + and in size from 1,250 to 3,500 square feet. All 1,462 single-family homesites and land for 226 condominium units have been sold to builders and the builders in turn have sold all of the homes and condominiums to retail buyers.

Lakewood Ranch Community Development District 5: Lakewood Ranch Golf and Country Club (Country Club North)

Development activities in Country Club North commenced in 2001 and sales to builders followed shortly thereafter. Country Club North consists of approximately 1,173 acres of residential property that is bounded on the north by the Braden River, on the east by Lorraine Road, on the west by existing development within Lakewood Ranch and on the south by The Masters Avenue. Country Club North includes 942 single-family residential units and two (2) eighteen-hole private golf courses designed by the Palmer Course Design Co., along with a 42,000 square foot clubhouse.

Country Club North is an upscale country club community that has primarily attracted retirees and move-up buyers mostly consisting of professionals with families. Homes in Country Club North were originally being offered at prices ranging from the mid \$200,000's to over \$5 million and in size from 1,960 to 17,000 square feet. All 942 homes sites have been sold to builders who in turn have sold all 942 homes to retail buyers.

Located within the village of Country Club North is the Lakewood Ranch Golf and Country Club (LWR G&CC), a private membership club with over 2,000 active members that is owned and operated by Lakewood Ranch Golf Company, LLC, a wholly owned subsidiary of SMR. LWR G&CC includes:

- Thirty-six (36) holes of golf designed by Palmer Course Design Co.
- A practice range and a practice chipping and putting green
- A 42,000 square foot grand Italian villa style clubhouse
- A formal dining room, grill and lounge, banquet facilities and private dining rooms
- Men's and ladies' lounges
- Golf pro shop
- Locker rooms
- Cart storage and administrative facilities
- An extension of LWR G&CC facilities and amenities located in Country Club East (described herein) featuring an additional eighteen (18) holes of golf designed by Robbins & Associates International (Rick Robbins) and a practice range with a chipping & putting green.
- Also located within Country Club East, an additional 29,600 square foot clubhouse that includes dining facilities, a golf pro shop and locker rooms.

In addition to the above referenced facilities, depending on the level of membership, LWR G&CC members have access to the Tennis Center, Aquatics Center and Fitness Center. A complete list of the types of membership currently being offered at LWR G&CC can be found on the Lakewood Ranch website at www.lakewoodranchgolf.com.

Lakewood Ranch Community Development District 6: Country Club West

In 2005, Neal Communities of Southwest Florida, Inc. purchased 369 acres of undeveloped land and developed the community within Lakewood Ranch known as Country Club West. The property is bounded on the west by Lakewood Ranch Boulevard, on the north by the Riverwalk subdivision and on the east and south by the Country Club North and South. Country Club West consists of 443 single-family residences and is an upscale country club community that has primarily attracted retirees and move-up buyers consisting of mostly professionals with families. Nine (9) holes of the

LWR G&CC run through Country Club West and many of the homesites front either the golf course, lakes or preservation areas. Homes range in size from 1,450 square feet up to 4,500 square feet and range in price from the \$250,000's to over \$3 million. The development is complete and over 440 homes have been sold to retail buyers.

Residents of Country Club West have access to the extensive amenities currently available to residents of Lakewood Ranch, including: (i) the LWR G&CC amenities via membership, (ii) Lakewood Ranch homeowner associations and various activities, (iii) scenic drive and walkways, (iv) treed conservation and water areas, and (v) extensive landscaping.

Residents of Country Club West have access to the extensive amenities currently available to residents of Lakewood Ranch, including: (i) the LWR G&CC amenities via membership, (ii) Lakewood Ranch homeowner associations and various activities, (iii) scenic drive and walkways, (iv) treed conservation and water areas, and (v) extensive landscaping.

Lakewood Ranch Stewardship District: The Lake Club

Development activities in the Lake Club commenced in 2005 and sales to builders followed shortly thereafter. The Lake Club comprises approximately 1,465 acres in Manatee County and is located within District, approximately four (4) miles east of Interstate 75. It is bounded on the south by University Parkway, on the east by The Isles at Lakewood Ranch (described in more detail below) and on the west by Lorraine Road and the sold-out village of Country Club North which contains the LWR G&CC and to the north by Country Club East, an extension of the existing Country Club village and the LWR G&CC.

The Lake Club is an upscale residential village within Lakewood Ranch that will be developed in four (4) phases and is planned to include approximately 708 single-family residential homesites ranging in size from one-third to one acre. The first two (2) phases of 328 single-family homesites are complete along with the 16,000 square foot clubhouse. Of the 328 single-family homesites, 327 have been sold to builders or directly to retail buyers. Approximately 279 homes have been sold to retail buyers ranging in price from slightly less than \$1 million to over \$5 million. Phase 3 and 4 of Lake Club planned for approximately sixty-eight (68) and 312 units, respectively, was purchased by an affiliate of Stock Development. Development activities in Phase 3 are complete with homebuilding activity underway and thirty-nine (39) homes have been sold to retail buyers. Development activities in Phase 4 are also underway with model homes recently completed and ninety-three (93) homes sold to retail buyers.

The Lake Club's target customer is the affluent, upscale buyer as the community has attracted retirees and move-up buyers comprised mostly of professionals with families. The Lake Club is a unique, upscale master planned gated community with an exclusive "non-golf" lifestyle distinctive to the community by including amenities such as series of lakes, natural green spaces, open spaces, a linear park system and a 16,000 square foot clubhouse. The community clubhouse includes two (2) large swimming facilities, tennis courts, fitness area, day spa, card room, multipurpose function room, concierge services and a catering kitchen.

In addition, residents of the Lake Club have access to the extensive amenities currently available to residents of Lakewood Ranch, including: (i) the LWR G&CC amenities via membership, (ii) Lakewood Ranch homeowner associations and various activities, (iii) scenic drive and walkways, (iv) treed conservation and water areas, (v) and extensive landscaping.

In addition to the LWR G&CC, the Lake Club is also located near two (2) other high-end golf courses: The Ritz-Carlton and The Concession. The Ritz-Carlton is an eighteen (18) hole golf course designed by Tom Fazio that is located within Lakewood Ranch and north of the Lake Club and Country Club East developments. This golf course serves the downtown Sarasota Ritz Carlton and Ritz Carlton Beach Club owners and guests. The only residential component of this community will be golf cottages currently being planned for future development. The Concession is an eighteen (18) hole golf course immediately east of Lakewood Ranch designed by Jack Nicklaus. The Concession is planned to include 255 homes at prices ranging from slightly less than \$1 million to over \$5 million.

Lakewood Ranch Stewardship District: Country Club East

Country Club East ("CCE") comprises approximately 1,190 acres and is located within the District approximately four (4) miles east of Interstate 75. CCE is being developed by a joint venture consisting of an affiliate of SMR and Starwood Land Ventures and includes approximately 841 acres of land planned for 1,352 residential units and approximately 349 acres of land that includes a Rick Robbins designed eighteen (18) hole golf course, a practice range

with a chipping & putting green as well as an additional 29,600 square foot clubhouse that includes dining facilities, a golf pro shop and locker rooms. CCE is bounded on the south by The Lake Club, on the North by the Ritz-Carlton golf course, on the east by the Del Webb community (described herein) and on the west by Lorraine Road and the sold-out village of Country Club North which contains the LWR G&CC. Due to the success of the LWR G&CC, CCE is an extension of the LWR G&CC and therefore all members enjoy all courses and amenities of both club locations. In addition, residents of CCE have access to many of the same extensive amenities currently available to residents of Lakewood Ranch, including: (i) Lakewood Ranch homeowner associations and various activities, (ii) scenic drive and walkways, (iii) treed conservation and water areas, (iv) and extensive landscaping. Further, CCE is also proximately located to two (2) other high-end golf courses, the Ritz-Carlton and The Concession described herein above.

CCE is an upscale residential village within Lakewood Ranch. A variety of products are being offered in CCE, including single-family residential homesites ranging in size from one-sixth to over one-half acre as well as low-rise condominiums. CCE's target customer is the affluent, upscale buyer. The community is attracting professionals with families, move-up buyers and retirees. All 1,352 homesites have been sold to builders and 1,249 homes have been sold to retail buyers at prices ranging from the \$300,000's to over \$1 million.

Lakewood Ranch Stewardship District: Central Park

In 2009, Neal Communities of Southwest Florida, Inc. ("Neal Communities") started the development of the Central Park community within Lakewood Ranch on 372 acres of land. Central Park is bounded on the west by Lakewood Ranch Boulevard, on the north by 44th Avenue East, on the east by the future construction/extension of White Eagle Boulevard (f/k/a Pope Road) and the south by Malachite Drive. Generally inspired by New York's Central Park, this development includes 826 single-family residential units situated in five (5) distinct communities, each with a distinctive Central Park — related theme (e.g., "Great Lawn", "Conservatory Garden", etc.) The community is designed to encourage foot traffic, employing meandering walkways, fountains and park areas. Central Park was primarily marketed to families but also attracted a broader demographic range of buyers. Homesite sizes are planned to range from forty-two (42) to seventy-six (76) feet in width. Homes in the Central Park range in size from 1,040 square feet up to over 3,000 square feet and were originally offered at prices ranging from \$127,000 to \$350,000. Features are a gated entry, pocket parks and the "Central Park" which includes such amenities as tennis courts, playgrounds, a splash park, a dog park, softball field and open area parks and pavilions. Development of all 826 single-family homesites is complete and all 826 units have been sold to retail buyers.

Lakewood Ranch Stewardship District: Esplanade Golf and Country Club (Lakewood Centre/NW Sector)

In August 2011 and December 2012, Taylor Morrison purchased approximately 600 acres of undeveloped land and started construction and home sales of their Esplanade community located at the northeast corner of Rangeland Parkway and White Eagle Boulevard (f/k/a Pope Road). Esplanade was initially planned as a 450-unit age targeted community that was subsequently expanded and is currently being marketed as 1,250-unit active lifestyle community. Residents of Esplanade have full use of the community's eighteen (18) hole golf course and pro shop. Additional amenities include a clubhouse with fitness and aerobics center, grand ballroom, card and craft room, catering kitchen, billiard room and library. In addition, Esplanade includes a heated lagoon-style pool and spa, resistance pool, outdoor barbecue space, fire pit, tennis, pickle ball and bocce courts. Homes are currently being offered from 1,686 to over 3,000 square feet, with base prices ranging from \$234,900 to \$384,900. Through June 30, 2020, 1,202 homes have been sold to retail buyers. Both the homes and the amenities are designed to appeal to the senior, empty nester and seasonal resident. The entire community is planned to be maintenance free via the homeowner's association.

Lakewood Ranch Stewardship District: Bridgewater Community (Lakewood Centre/NW Sector)

In November 2012, Lennar Homes purchased approximately 172 acres of undeveloped land and started construction and home sales of their Bridgewater community located at the southeast corner of Rangeland Parkway and White Eagle Boulevard (f/k/a Pope Road). Bridgewater is a 275 single family home family community that includes a park and trail system. Homes were originally being offered from 1,677 to over 3,800 square feet, with base prices ranging from the low \$300,000's to mid \$400,000's. All 275 homes have been sold to retail buyers.

Lakewood Ranch Stewardship District: Harmony (Lakewood Centre/NW Sector)

In December 2013, Mattamy Homes purchased approximately 245 acres of undeveloped land located east of Lakewood Ranch Boulevard, south of Malachite Blvd and north of Rangeland Parkway. Mattamy is developing a community known as "Harmony" that is planned to include 677 homes consisting of 142 single-family homes and 535 townhomes and duplex homes. Single family homes are currently being offered from 1,626 to over 2,700 square feet,

with base prices ranging from the mid \$200,000's to the low \$300,000's. The townhomes and duplex homes are currently being offered at base prices ranging from the high \$100,000's to the mid \$200,000's. Combined, approximately 677 homesites and townhomes have been developed, 511 of which have been sold and are occupied by retail buyers with another twelve (12) under contract with retail buyers.

Lakewood Ranch Stewardship District: Indigo (Lakewood Centre North)

In August 2014, an entity affiliated with Neal Communities purchased approximately 111 acres of undeveloped land located on the northwest corner of 44th avenue and White Eagle Boulevard (f/k/a Pope Road). Additional lands were later purchased by the same entity and the District subsequently expanded its boundaries to include approximately eighty-seven (87) acres. A community known as "Indigo" is being developed that is planned to include 681 single family homes which are currently being offered from 1,400 to over 2,980 square feet, with base prices starting in the mid \$200,000's. Out of the 681 single family homes, 359 are sold and occupied by retail buyers and another forty-six (46) are under contract with retail buyers.

Lakewood Ranch Stewardship District: Mallory Park (Lakewood Centre North)

In September 2015, DiVosta Homes purchased approximately 150 acres of undeveloped land located to the west of White Eagle Boulevard (f/k/a Pope Road) and south of State Road 64. DiVosta is developing a residential community called "Mallory Park" on the site, consisting of 328 single family units and 108 multi-family units. Surrounded by thirty-six (36) acres of wetlands and lakes, walking trails throughout the community take you to the private clubhouse and other amenities. Home prices range from the high \$200,000's to the mid \$400,000's. Approximately 436 homesites have been developed with 259 homes sold and occupied by retail buyers and an additional seventy (70) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District: Arbor Grande (Lakewood Centre North)

In December 2014, CalAtlantic Homes purchased approximately 100 acres of undeveloped land located on to the west of White Eagle Boulevard (f/k/a Pope Road) and south of State Road 64. CalAtlantic is developing a community known as "Arbor Grande" on the site, consisting of 183 single family units and 122 multi-family units. Home prices range from the mid \$400,000's to the mid \$600,000's. Approximately 305 homesites have been developed with 216 homes sold and closed to retail buyers and an additional thirty-nine (39) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District: Savannah (Lakewood Centre North)

In December 2014, Meritage Homes of Florida, Inc. purchased approximately 304 acres of undeveloped land located to the west of Lorraine Road and south of State Road 64. Meritage Homes is developing a community known as "Savannah" on the site, consisting of 475 single-family homes with prices ranging from the mid \$300,000's to the high \$400,000's. Approximately 475 homesites have been developed with 258 homes sold and closed to retail buyers and an additional seventeen (17) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District: Del Webb Lakewood Ranch

In December 2014, Pulte Home Company purchased approximately 643 acres to be developed as a Del Webb branded 55+ community planned to include 1,300 residential units, a clubhouse and associated recreational facilities. Development activities commenced in January 2015 and 1,300 homesites have been developed. Further, construction of the recreational facilities including an approximately 21,000 square foot clubhouse is complete. Sales activity within the Del Webb Lakewood Ranch commenced in January 2016. To date, there have been 736 homes sold and closed to retail buyers and an additional eighty-seven (87) homes are under contract with retail buyers. Home prices range from \$240,000 to \$450,000.

Lakewood Ranch Stewardship District: Lakewood National/Polo Run

In December 2015, Lennar Homes, LLC ("Lennar") purchased approximately 1,390 acres of undeveloped land located on the north side of State Road 70 and east of Lorraine Road. Lennar is developing two (2) neighborhoods known as Lakewood National and Polo Run. Lakewood National is a bundled-golf community planned to include 1,576 residential units, two (2) eighteen (18) hole golf courses and associated recreational facilities. Polo Run is planned to include 423 residential units and associated recreational facilities. Development activities commenced in December 2015 with the first eighteen (18) holes of the golf course and 1,000 homesites in Lakewood National complete. Development of the initial 212 homesites in Polo Run is also complete. Homes sales commenced from an off-site sales center in May

2016. Home prices range from \$175,000 to \$500,000. To date, within Lakewood National there have been 817 homes sold and closed to retail buyers and an additional 153 homes are under contract with retail buyers. To date, within Polo Run there have been 238 homes sold and closed to retail buyers and an additional twenty-eight (28) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District Palisades: (Lakewood Centre/NW Sector)

In December 2017, a land banking entity on behalf of D.R. Horton closed on undeveloped acreage located north of State Road 70, and east of Lorraine Road planned for 150-residential units. Model homes are currently open and home sales commenced in the fourth quarter of 2018. To date, within Palisades, fifty (50) homes have been sold and closed to retail buyers and an additional sixteen (16) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District: The Isles of Lakewood Ranch

December 2017, Toll Brothers acquired approximately 339 acres of undeveloped land bound on the east by the future Bourneside Boulevard and on the south by the existing University Parkway serving as the primary access road to this development. The development is planned to include 450 single-family homes and is being marketed as "The Isles at Lakewood Ranch". Model homes are currently open and home sales commenced in the fourth quarter of 2018. To date, forty-seven (47) homes have been sold and closed to retail buyers and an additional thirty-three (33) homes are under contract with retail buyers.

Lakewood Ranch Stewardship District: Lakewood Ranch Waterside

Development activities commenced in the first quarter of 2018 on an approximately 3,518-acre development area in the southwestern portion of the District representing the first residential development in the Sarasota County portion of Lakewood Ranch. The lands within this area are known as "Waterside" and are intended to be developed into twelve (12) neighborhoods planned for approximately 5,144 residential units of varying product type. In addition, approximately 390,000 square feet of mixed-use space and 60,000 square feet of public/civic space is planned to be developed in two (2) village centers. Land sales commenced in the fourth quarter of 2016. To date, the following development activity has taken place within Waterside.

In December 2016, Homes by Towne purchased 291 acres of undeveloped land within the Waterside project. Homes by Towne is developing a residential community on the site called "Lakehouse Cove" to include sixty (60) multi-family and 331 single-family units. Development activity commenced in early 2018 and to date, 128 homes have been sold and closed to retail buyers and an additional fifty-seven (57) homes are under contract with retail buyers.

In December 2016, Pulte Homes purchased 322 acres of undeveloped land within the Waterside project. Pulte is developing a residential community on the site called "Shoreview" to include 246 single-family units. Development activity commenced in early 2018 and to date 110 homes have been sold and closed to retail buyers and an additional twenty-five (25) homes are under contract with retail buyers.

In December 2016, Davis Development purchased twenty-five (25) acres of undeveloped land within the Waterside project, located on the western side of the development along Interstate-75. Davis Development has completed and opened a 290-unit apartment complex on the site.

In February 2018, Ryan Company purchased approximately five (5) acres of undeveloped land within the Waterside project on the South East corner of Lorraine Road and University Parkway. Ryan Company has completed development of a 172-unit assisted living facility on the site called Grand Living at LWR.

In December 2018, Davis Development purchased approximately fourteen (14) acres of undeveloped land within the Waterside project, specifically located within the Waterside Place development off of Deer Drive. This purchase is phase one of their Waterside Place projects and will include 320 apartment units. Davis Development is under contract to purchase three (3) additional phases over a three to four-year period, with these additional phases to include an additional 534 apartments and twenty-one (21) townhomes.

Waterside Place is an approximately 36-acre entertainment hub situated on an approximately 280-acre lake which is planned to include waterfront dining, plazas, a marina, retail and office space, children's exploration park, event pavilion and the Players Centre for Performing Arts theatre complex and 1,400 apartments. Development activities on Waterside Place commenced in October 2018 and are projected to be complete in April 2021.

Lakewood Ranch Stewardship District: Northeast Sector

The northeast quadrant of Lakewood Ranch consists of approximately 3,853 gross acres and is planned to be developed into multiple residential and commercial tracts. Five (5) tracts within the northeast quadrant have been sold to an affiliate of The Kolter Group, Taylor Morrison Homes, Lennar Homes, Pulte Home Company and a land bank entity on behalf of D.R. Horton.

The Kolter community is planned to include 648 residential units and is being marketed as a highly amenitized aged-restricted residential community known as "Cresswind Lakewood Ranch". Horizontal development activity within Cresswind Lakewood Ranch commenced in October 2018 and to date ten (10) homes have been sold and closed to retail buyers and an additional thirty-two (32) homes are under contract with retail buyers

The Taylor Morrison community is planned for 1,825 single family homes and is being marketed as "Azario". This neighborhood is an extension of their Esplanade development located within Lakewood Ranch just to the west and includes eighteen (18) holes of golf. Initial development activity commenced in January 2019 and to date no homes have been closed to retail buyers, however seventy-eight (78) homes are under contract with retail buyers and under construction.

The Lennar community is planned for 1,374 single family homes and will be known as "Lorraine Lakes". The approximately 545 acres for this community was purchased by Lennar in the second quarter of 2019 with development activities commencing immediately thereafter. Home pre-sale activities have commenced with a grand opening scheduled in September 2020.

The D.R. Horton community planned for 675 single-family residential units is being marketed as "Solera at Lakewood Ranch". Horizontal development activities in Solera at Lakewood Ranch commenced in December 2018 and the first retail contract with a homebuyer was signed in the second quarter of 2020.

The Pulte community is planned for 472 units and will be known as "Sapphire Point". Pulte purchased the approximately 181 acres for this community in the fourth quarter of 2019 with development activities commencing immediately thereafter. Home sales are scheduled to commence in December 2020.

An additional two (2) tracts of land within the northeast quadrant are under contract with Forestar Real Estate Group and M/I Homes. These two (2) developments are planned for 1,500 units and 500 units, respectively. Closing on the Forestar Real Estate Group development tract is set to occur in the fourth quarter of 2020 with closing on the M/I Homes development tract set to occur soon thereafter in the first quarter of 2021.

Sarasota Polo Club

Located in the southeastern portion of Lakewood Ranch is the Sarasota Polo Club. Facilities include nine (9) world-class polo fields, a regulation size arena, paddocks, stables and clubhouse. Five (5) to ten (10) acre parcels were sold directly to retail buyers for custom home and horse stable construction. More information on the Sarasota Polo Club and the events held there can be found by visiting www.sarasotapolo.com.

Main Street

Main Street is a mixed-use development offering shopping, dining and luxury housing and is currently home to 113,000 square feet of boutique-style shops, upscale restaurants, residential condominiums and 44,700 square feet of distinctive, class-A office space. Situated along Lake Uihlein, Main Street is reminiscent of Princeton's Palmer Square or Tampa's Hyde Park Village. Currently, occupancy is running approximately 99%.

Main Street includes a wide variety of retail stores such as Vanessa Fine Jewelry, Naples Soap Company and more. The Ana Molinari Day Spa offers complete salon and spa services, along with a clothing line. Respected national retail chains such as Starbucks add a familiar feel to the mix.

Dining choices at Main Street vary from very elegant to casual and include the recently opened "Grove", an elegant restaurant with banquet facilities that will be operated by the owner of the long-time favorite Pier 22 on the Bradenton Waterfront. Other dining options at Main Street include Paris Bistro, Main Street Trattoria featuring Italian cuisine and El Lago Ranchero featuring Mexican cuisine. Main Street offers casual dining options including Pinchers

Crab Shack, Fast N Fresh, Station 400 (family-oriented breakfast and lunch eatery), Ed's Tavern (a family friendly sports restaurant), and the dessert shop Big Olaf Ice Creamery. Other tenants include The Fish Hole, an eighteen (18) hole miniature golf course; Premier Sotheby's International Realty and Knot Awl Beads.

The Lakewood Ranch Cinema, an extension of the Sarasota Film Society, is a six (6) screen movie theater at Main Street offering first run Hollywood, foreign language and American independent films. The cinema offers state-of-the-art film projection with Dolby-digital sound and stadium seating.

Main Street also features a multi-million-dollar condominium complex with sixty-four (64) upscale units. Residents can choose among the existing Lofts on Main, with its downtown Main Street location or two (2) offerings of lakefront units (one existing and one planned) that will overlook Lake Uihlein.

Town Center

Town Center is a 470-acre commercial development that is bounded on the south by the Manatee and Sarasota County line, on the east by Lakewood Ranch Boulevard, on the north by the River Club development and on the west by Interstate 75. It is estimated that more than 2,500 people are currently employed in Town Center which currently includes a mix of multi-family residential, office, commercial, retail and institutional uses. Such uses include approximately 500,000 square feet of occupied commercial and retail space including a Publix grocery store anchored shopping center, service stations, banks, drug stores, restaurants and hotels; 525 apartments; approximately 925,000 square feet of office space with in excess of 92% occupancy; and medical and institutional uses including a 120-bed hospital, an eighty (80) unit assisted living facility and medical offices. A Marriot Fairfield Inn & Suites and a Hyatt Place are within the Town Center next to the Interstate-75 entrance.

Corporate Park

Located in the southwestern portion of Lakewood Ranch is the Lakewood Ranch Corporate Park which is situated in the Lakewood Ranch Corporate Park DRI encompassing approximately 1,375 acres that are situated east of Interstate 75, south of University Parkway, west of the Sarasota Polo and north of vacant land. It is estimated that more than 4,000 people are employed in the Corporate Park which includes a mix of office, commercial, retail, medical, religious and educational uses. Approximately 232 acres have been sold on which have been developed 1,450,000 square feet of office space including a community college, medical offices, a church and private school. Currently, occupancy within Corporate Park is running over 90%.

Commerce Park

Located just south of the northern boundary of Lakewood Ranch is the Lakewood Ranch Commerce Park, which encompasses approximately 900 acres that are situated just south of State Road 64 on the east and west side of Lakewood Ranch Boulevard. Commerce Park includes the Lakewood Ranch Business Park and acreage zoned as light industrial. Within Commerce Park, approximately 150 acres have been sold which comprises 532,500 square feet of space with approximately 95% occupancy, and includes a grocery store anchored shopping center, local retail space, banks, service station and restaurants, as well as office and light industrial space. Site improvements are in place for an additional 225,000 square feet. Also, the Lakewood Ranch Business Park, located in the southwest corner of Commerce Park, has site improvements in place for an additional 940,000 square feet.

Based upon information obtained by SMR from the Economic Development Council, Lakewood Ranch as a whole is currently exhibiting a rate of occupancy 10% greater than that of the Sarasota/Manatee County area as whole. Such fact is primarily attributed to SMR's deliberate limitation of speculative sales in the various mixed-use areas located throughout Lakewood Ranch. A complete business directory for the Lakewood Ranch Town Center, Corporate Park and Commerce Park can be found on the Lakewood Ranch website by visiting www.lakewoodranch.com.

Educational and Religious Institutions

Lakewood Ranch offers, or is in close proximity to, educational facilities and religious institutions that include the following:

Pre School and Day Care

- Located within Lakewood Ranch is Kids 'R' Kids Child Care Center ("KRK"), Primrose School, The Goddard School, The Learning Experience day care and Kiddie Academy which offers

childcare for infants through school age children in a structured educational environment. KRK offers full day care, before and after school care and school holiday care including summer camp.

Elementary and Middle Schools

- Located within Lakewood Ranch (adjacent to Summerfield/Riverwalk) are the Braden River Elementary School and Braden River Middle School, among the highest academically rated elementary and middle schools, respectively, in the Manatee and Sarasota two (2) county area. Located in Greenbrook East is McNeal Elementary School which opened in August 2003, and R. Dan Nolan Middle School which opened in 2004. Adjacent to Country Club East and The Lake Club is Willis Elementary School, which opened in late 2005. East of Lakewood Ranch Boulevard, between State Road 70 and State Road 64, is B. D. Gullett Elementary School which opened in 2007. Imagine School, a charter school with both elementary and middle school grade levels, opened in 2009 south of State Road 64 and west of Lakewood Ranch Boulevard. Further, a future middle school is planned next to B. D. Gullett Elementary School.

High School

- Located within Lakewood Ranch on Lakewood Ranch Boulevard between State Road 70 and State Road 64 is the Lakewood Ranch High School ("LRHS"), a state-of-the-art facility that opened in 1998. LRHS is Manatee County's first school designed and built specifically as a high school. Situated on 104 acres donated by SMR, the school's next-door neighbor is a regional county park. In addition, Manatee County purchased 150 acres from SMR in 2007 for a second Lakewood Ranch High School complex to be located north of State Road 64 and adjacent to the eastern boundary of Lakewood Ranch. Pursuant to a land exchange contract, that high school site will be relocated south to a site next to the Premier Sports Campus.

Private/Preparatory Schools

- The Out of Door Academy, a prestigious private school since 1924, opened its high school at Lakewood Ranch in 1997 and now also includes middle school classes. The academy provides a college preparatory curriculum, with a full range of academic courses, including honors and advanced placement classes. Pinnacle Academy which serves the educational needs of autistic children, is located near the southeast corner of State Road 70 and Lorraine Road.

Undergraduate/Graduate/Continuing Education

- Keiser University and Everglades University as well as a satellite campus for State College of Florida are located in Lakewood Ranch. The Lake Erie School of Osteopathic Medicine is also located in Lakewood Ranch and has expanded their campus to include dental and pharmacy schools. Located close by are other campuses for State College of Florida which are also expanding, University of South Florida/New College and other campuses in Tampa and St. Petersburg.

Religious Institutions

- Currently located within Lakewood Ranch are several places of worship including churches of the Lutheran, Episcopal, Catholic, Methodist, Jewish, Presbyterian and Baptist denominations.

Medical Facilities

Lakewood Ranch offers a myriad of medical facilities that include the following:

- 120-bed for-profit Lakewood Ranch hospital with emergency room with two adjacent medical office buildings with combined medical office space of more than 200,000 square feet.
- Extensive and multiple dental, general practice, pediatrician and specialist medical facilities.

Premier Sports Campus

The Premier Sports Campus ("PSC"), a Manatee County - owned and operated multi-purpose sports complex, is situated on approximately 145 acres located off State Road 70 East of Lorraine Road. Since opening in 2011, the PSC has hosted over 500,000 players, coaches and officials, hosting a variety of amateur, professional and world — class events including soccer, lacrosse, field hockey, rugby, archery, senior games, Ultimate Frisbee, Special Olympics, flag football, youth football and Frisbee golf. Features and events include:

- A \$5 million complex with twenty-two (22) FIFA regulation full-sized soccer fields, mixed use fields, including eight (8) fully lighted for night play, a 4,000-seat stadium around the main field with scoreboard, concession stand, bathrooms, locker rooms and meeting rooms.
- Features Celebration grass and a state-of-the-art underground irrigation system.
- A three (3) year agreement with the United States Soccer Federation, hosting the US Soccer Winter Showcase and Nike International Friendlies. This is the Country's most prestigious Youth Soccer Event, attracting 25,000 people with an approximate economic impact of \$11 million.
- Host the annual Labor Day Soccer Tournament with over 300 teams and an approximate economic impact of \$15 million.
- Host the largest annual Preseason High School Lacrosse in America, with 250 teams.
- Various professional camps in both soccer and Lacrosse.
- Averaging twenty-five (25) events annually with seven (7) or more attracting over 7,000 people.
- Average 1,000 parents and players each night in a variety of league play.
- Five (5) full time tenants in soccer, football, and lacrosse.
- The Lakewood Ranch Chargers club league (soccer) and Lakewood Ranch Monster Lacrosse.

NORTHEAST SECTOR

Overview

The northeast quadrant of Lakewood Ranch consists of approximately 3,853 gross acres (the "Northeast Sector") and is planned to be developed into multiple residential and commercial tracts. The Northeast Sector is located entirely within Manatee County and the boundaries of the District and is bounded on the north by State Road 64, on the south by State Road 70, on the west by Lorraine Road and on the east by the future Bourneside Boulevard. The four (4) major roadways serving the Northeast Sector include State Road 70, State Road 64, Lorraine Road and Bourneside Boulevard. Additional access ways include Uihlein Road, Rangeland Parkway, 44th Avenue East and Post Road. The lands within the Northeast Sector are currently planned to include approximately 7,831 residential units, eighty-five (85) acres planned for approximately 627,000 square feet of commercial space, parks and 120 acres planned for a public K-8 school and high school.

The acreage constituting the Northeast Sector is a portion of the lands purchased in 1922 by the Uihlein family and are primarily owned by SMR Northeast, LLC, a Florida limited liability company (the "Landowner") and wholly owned subsidiary of SMR. There are currently no mortgages on the land within the Northeast Sector owned by the Landowner. It is the intent of the Landowner to sell undeveloped tracts of land to (i) developers/homebuilders for them to develop such tracts into finished lots for home construction thereon; (ii) apartment builders; (iii) developers of mixed-use properties for them to develop and sell finished parcels to commercial, retail or office end-users; and (iv) commercial, retail or office end-users. Such purchasers will then develop the on-site infrastructure required for each respective tract. As more fully described herein under the heading "Land Sale/Contract Activity", the Landowner has sold and closed on five (5) development tracts and has entered into a purchase and sale agreement with a developer for the sale of three (3) additional development tracts. Such tracts include Tracts A, B, D, E, F, G, H and I within the Northeast Sector, totaling in aggregate 3,452 acres planned for 6,931 units (herein referred to as the "Contracted Tracts").

Land Use Plan

The lands within the Northeast Sector are intended to be developed into nine (9) neighborhoods and various commercial tracts. The information appearing in the table below illustrates the current land use plan for the residential and commercial portions of the Northeast Sector, which information is subject to change.

<u>Tract</u>	<u>Single-Family (attached and detached)</u>	<u>Age-Restricted (attached and detached)</u>	<u>Apartments</u>	<u>Retail</u>
Tract A	1,750	-	-	-
Tract B	1,374	-	-	-
Tract C	-	-	200	-
Tract D	472	-	-	-
Tract E	675	-	-	-
Tract F	-	648	-	-
Tract G	512	-	-	-
Tracts H & I	1,500	-	-	-
Tract J	-	-	700	-
Commercial C1	-	-	-	183,563
Commercial C2	-	-	-	91,782
Commercial C3	-	-	-	110,138
Commercial C4	-	-	-	150,000
Commercial C5	-	-	-	91,782
High School	-	-	-	-
K-8 School	-	-	-	-
Total	6,283	648	900	627,265

Development Agreement

The Landowner and the County entered into a Local Development Agreement (the "Development Agreement"), on March 6, 2018 that governs the entire Northeast Sector. The Northeast Sector has a Manatee County Comprehensive Plan designation of MU-C which allows for it to be developed with a variety of land uses and densities. As previously discussed, the Landowner intends on dividing the Northeast Sector into various development tracts for sale to developers and/or homebuilders. However, the County has established traffic concurrency requirements for the entire Northeast Sector.

Per the Development Agreement, the Landowner is required to complete certain transportation improvements prior to or in conjunction with the development of the Northeast Sector to meet County concurrency requirements. The Development Agreement does allow for a proportionate share contribution to be made by the Landowner in lieu of such transportation improvements. However, it is the current intent that the Landowner will construct and dedicate the following roadways identified as thoroughfares and the right of way of each to the County (the "Mitigation Improvements") to mitigate the transportation impacts of the proposed development within the Northeast Sector:

- 1) Construct Uihlein Road from its current northern terminus at the north end of the Lakewood National development to State Road 64 as a four-lane divided roadway within a 120-foot right of way.
- 2) Construct 44th Avenue East Extension from Lorraine Road to Bourneside Boulevard as a four-lane divided roadway within a 120-foot right of way.
- 3) Dedicate 120 feet of right of way for Bourneside Boulevard from the northern entrance of Lakewood National to State Road 64 to accommodate build-out as a four-lane divided roadway within a 120-foot right of way. The construction of Bourneside Boulevard as a two-lane road shall not be considered a Mitigation Improvement because it serves as site-related access for the Northeast Sector.

The total Mitigation Improvements costs excluding dedicated road right of way as identified in the Development Agreement are estimated at \$48.6 million. Such costs are included within the scope of the Northeast Sector Project and include the construction of storm water ponds. The dedicated right of way value is estimated at \$6.6 million and is not included as part of the Northeast Sector Project.

Additional roadway improvements (the "Initiated Improvements" and together with the "Mitigation Improvements", the "Northeast Sector Improvements") required under the Development Agreement to be initiated by the Landowner to enhance the development value of the Northeast Sector rather than mitigate against transportation impacts

are identified below. The costs of such roadways, which are to be dedicated to the County, are included within the scope of the Northeast Sector Project.

- 1) Rangeland Parkway from Lorraine Road to Bourneside Boulevard as a four-lane divided roadway within a 120-foot right of way.
- 2) Bourneside Boulevard as a two-lane roadway within the right of way.
- 3) Post Road, as a four-lane facility with a 120-foot right of way, from its current terminus at 59th Avenue East to Rangeland Parkway.

Construction of the aforementioned Northeast Sector Improvements have a required completion date of three (3) years from receiving County approval for zoning of the first development tract, subject to extensions. As further described herein, Tract F obtained rezoning approval from the County on April 5, 2018 thus the proposed completion date is April 2021. Failure to meet the completion date will result in a suspension of the certificate level of service ("CLOS") for all development tracts until completion of such improvements.

A CLOS for transportation, recreational/open space, solid waste, and storm water is provided upon approval of final site plan for each development tract or a portion thereof and has an expiration date on the earlier of (i) December 31, 2032 or (ii) ten (10) years from the date of issuance of the CLOS for each respective development tract.

In addition, if an increase in the proposed development use occurs within a development tract or to the overall projected development use and approval is granted by the County for such increase, a separate traffic or impact analysis may be required which may result in additional concurrency requirements to mitigate transportation impacts by the proposed increase and thus delay the issuance of a CLOS. While the lands within the Northeast Sector have a Manatee County Comprehensive Plan designation of MU-C, each of the various tracts must undergo approval through the County's normal zoning and site plan approval process. As more fully described herein under the heading "Land Sale/Contract Activity" and as summarized in the chart below, the contract purchasers for the Contracted Tracts have received rezoning approval.

<u>Tract</u>	<u>Rezoning Approval Date</u>	<u># Approved Units</u>
Tract A ⁽¹⁾	October 2018	1,750
Tract B	October 2018	1,500
Tract D	August 1, 2019	475
Tract E	June 2018	675
Tract F	April 2018	651
Tract G	July 2020	512
Tracts H & I	June 2020	1,500

- (1) The Tract A developer is currently under negotiations with the Landowner to purchase an additional nineteen (19) acres which will extend the eastern boundary of Tract A to Uihlein Road. Pending consummation of the purchase of such lands, Tract A will include 1,011 acres planned for 1,825 single family units. A modification to the zoning ordinance has been submitted to the County to allow for a minimum of 1,825 single-family residential units planned within the expanded Tract A boundaries.

Certain of the Northeast Sector Improvements identified above are subject to transportation impact fee credits in an amount not to exceed \$42,500,000. The Development Agreement provides for transportation impact fee credits for dedications and improvements to the thoroughfare network related to the Northeast Sector Improvements including the dedication of storm water facilities constructed with easements related to such roadway improvements. The Landowner can initially only use the impact fee credits as proportionate share contributions to obtain a further extension of the CLOS for development tracts inside the Northeast Sector or an extension or mitigation of the CLOS for other developments outside of the Northeast Sector but within the impact fee district. Upon reaching certain building permit thresholds, the transportation impact fee credits can also be applied towards offsetting impact fees owed and refunding impact fees paid for development tracts within the Northeast Sector.

SMR North 70, LLC, an affiliate of the Landowner, previously possessed other transportation impact fee credits pursuant to the Northwest Sector/Lakewood Centre Local Development Agreement that provides the right to use such surplus credits for the purpose of extending the CLOS in the development tracts within the Northeast Sector or assign such surplus credits to the landowner/developer of such development tracts. Currently, \$7,438,900 of surplus credits has been assigned to the Landowner who has in turn, pursuant to the Development Agreement, transferred back such credits to the County so that the County can use the impact fees that such credits would otherwise offset towards other improvements needed to the thoroughfare network within the same impact fee benefit district.

Permitting

In efforts to sell undeveloped tracts of land to developers/homebuilders and meet County concurrency requirements governed by the Development Agreement, the Landowner has undertaken a separate initiative to obtain permitting for site construction of the Northeast Sector Project which includes all or a portion of the construction and/or extension of Rangeland Parkway, Post Road, 44th Avenue, Uihlein Road and Bourneside Boulevard. The Engineer's Report attached hereto as Appendix A provides a detail of the permits that have been obtained and those that are pending.

Upon issuance of the 2020 Bonds, the District Engineer will certify that any permits and approvals necessary for the infrastructure specific to the Northeast Sector Project that have not previously been obtained are expected to be obtained in the ordinary course of business.

In addition to the permits required for the Northeast Sector Project, permits for the development of the infrastructure for each of the tracts are required to be obtained. Each of the contract purchasers of the Contracted Tracts have obtained permits or are in the process of obtaining permits to provide for the development of each of their respective tracts.

Environmental Matters

The Landowner has owned the acreage in the Northeast Sector since the 1920's and therefore is aware of the utilization of the land from that time to present day. Accordingly, the Landowner has not commissioned an environmental site assessment for the acreage within the Northeast Sector. However, each entity that has purchased or is currently under contract to purchase the property within the Northeast Sector commissioned an environmental site assessment during the inspection periods provided for in their respective purchase and sale contracts. None of the contract purchasers have conveyed to the Landowner any findings of environmentally recognized conditions.

District Infrastructure/Finance Plan

The District Engineer has prepared the Engineer's Report attached hereto as APPENDIX A describing the Northeast Sector Project which is estimated to cost approximately \$84.7 million. The Northeast Sector Project includes the expansion and construction of certain roadways within the Northeast Sector, namely, Uihlein Road, Rangeland Parkway, Bourneside Boulevard, 44th Avenue and Post Road, as required by the Development Agreement. The roadway costs identified include roads, drainage, utilities, lighting, landscaping and entry features. While the Northeast Sector Project includes multiple roadway segments and associated improvements, it is currently intended to be constructed continuously until fully completed rather than in phases with completion expected by April 2021, as required by the Development Agreement. To facilitate this, the District intends to issue multiple series of Bonds throughout the construction process for the Northeast Sector Project.

In September 2017 and during the engineering, design and permitting stages of the Northeast Sector Project, the District obtained interim financing for the Northeast Sector Project in the form of a revolving line of credit facility provided by Florida Community Bank, N.A. in the initial amount of not to exceed \$45 million which has since been reduced to \$33 million (the "FCB Note"). The FCB Note accrues interest at 4.25% and matures on September 8, 2022. Currently, the outstanding balance of the FCB Note is approximately \$12.2 million. As described further herein, a portion of the proceeds of the 2020 Bonds will be used to retire the entire outstanding balance of the FCB Note. Upon issuance of the 2020 Bonds, the FCB Note will be secured by special assessments levied on all lands within the Northeast Sector with the exception of the Contracted Tracts.

The District previously issued its \$14,985,000 Series 2018 Northeast Sector Project – Phase 1A Bonds (the "2018 Phase 1A Bonds") on August 21, 2018 to repay, together with proceeds on hand, \$9.7 million outstanding under the FCB Note that previously funded a portion of the Northeast Sector Project and to construct additional portions of the Northeast Sector Project in the approximate amount of \$5.0 million (the "Northeast Sector Project – Phase 1A"). Upon issuance of

the 2018 Phase 1A Bonds and subsequent repayment of the outstanding principal balance of the FCB Note, the lien of the FCB Note was extinguished on the lands on which the Special Assessments securing the 2018 Phase 1A Bonds were initially levied. Such tracts included Tracts A, B, E and F, totaling 2,065 acres, all of which were under contract with various landowners at the time of issuance. The District subsequently issued its \$36,185,000 Series 2018 Northeast Sector Project – Phase 1B Bonds (the “2018 Phase 1B Bonds”) on December 10, 2018 to fund additional portions of the Northeast Sector Project in the approximate amount of \$33.3 million (the “Northeast Sector Project – Phase 1B”). As described further herein under the heading “The Assessment Areas”, the 2018 Phase 1A Bonds were sized to correspond with the amount of special assessments allocable to Tracts E and F and the 2018 Phase 1B Bonds were sized to correspond with the amount of special assessments allocable to Tracts A and B.

Further, the District issued its \$5,585,000 Series 2019 Northeast Sector Project – Phase 2A Bonds (the “2019 Phase 2A Bonds”) to construct additional portions of the Northeast Sector Project in the approximate amount of \$5.1 million. The 2019 Phase 2A Bonds are secured by special assessments levied on Tract D within the Northeast Sector which was sold to Pulte Homes and planned for the development of 472 residential lots. In accordance with the terms of the FCB Note, upon sale of Tract D to Pulte Homes, the lien of the FCB Note was released on Tract D.

Proceeds of the 2020 Bonds will be used to retire the entire outstanding balance of the FCB Note and fund additional portions of the Northeast Sector Project in the estimated amount of \$5.1 million. That portion of the Northeast Sector Project previously funded with proceeds of the FCB Note and to be funded with proceeds of the 2020 Bonds is referred to herein as the “Northeast Sector Project – Phase 2B”. As described further herein under the heading “The Assessment Areas”, the 2020 Bonds will ultimately be secured by the Series 2020 Assessments levied on Tracts H and I within the Northeast Sector which is under contract with Forestar (defined further herein) and planned for the development of 1,500 residential lots. Upon issuance of the 2020 Bonds, the lien of the FCB Note will be extinguished on the lands on which the Series 2020 Assessments securing the 2020 Bonds will be levied.

As previously stated herein, the District intends to issue one (1) additional series of Bonds to fund additional portions of the Northeast Sector Project. Such future series of Bonds are anticipated to be issued to correspond with anticipated bulk sale land sale of Tract G under contract to M/I Homes representing the last single-family residential tract in the Northeast Sector. Prior to such occurrence, the District intends to utilize the FCB Note to fund the Northeast Sector Project to the extent it has fully expended proceeds of previously issued Bonds and until the final series of Bonds is issued.

In addition, the Landowner and the District have previously entered into a Completion Agreement whereby the Landowner agreed to complete any portion of the Northeast Sector Project not funded with proceeds of the 2020 Bonds or any future series of Bonds.

District Infrastructure Status

As discussed above, through funding via the FCB Note, the 2018 Phase 1A Bonds, the 2018 Phase 1B Bonds, and the 2019 Phase 2A Bonds, the District has contracted for and undertaken certain engineering, permitting, design and construction activities for certain portions of the Northeast Sector Project. The narrative below provides a summary of such activity as well as a projected construction schedule for the roadways segments included in the Northeast Sector Project.

44th Avenue East (Lorraine Road to Bourneside Blvd.) – Construction commenced in June 2018 and was completed in September 2020.

Bourneside Blvd N (Lakewood National to State Road 64) – Bid advertising occurred in June 2018 and a contract was awarded in July 2018. Construction commenced in August 2018 with a completion date of July, 2020.

Rangeland Parkway (Lorraine Road to Uihlein Road) & Post Rd. – A contract was awarded in November 2018. Construction commenced in December 2018 and is expected to be completed in December 2020.

Uihlein Road (44th Ave East to State Road 64) – Bid advertising occurred in August 2019. Construction commenced in November 2019 and is expected to be complete by November 2020.

Uihlein Road (Lakewood National to 44th Avenue East) and Rangeland Parkway (Uihlein Road to Bourneside Road) – Construction commenced in April 2018 and was completed in July 2019.

Utilities

Water and sewer for the Northeast Sector will be provided by the County. Further, re-use will be provided by Braden River Utilities which is owned by an affiliate of SMR. Electric power will be provided by Peace River Electric Company and gas service will be provided by Tampa Electric Company.

Land Sale/Contract Activity

As previously discussed herein, it is the intent of the Landowner to sell undeveloped tracts of land to developers/homebuilders for them to develop such tracts into finished lots for home construction thereon, in the case of the residential parcels. To date, the Landowner has sold and closed on five (5) residential tracts totaling 2,294 acres planned for 4,919 residential units. Further, the Landowner has entered into a contract for the sale of three (3) additional residential tract totaling [1,158] acres planned for 2,012 residential units. The table below illustrates certain information pertaining to the aforementioned land sales and contract activity to date.

Tract Pending Contracts	Purchaser	Est. Acres	Land Use	Est. Units
Tract H & I	Forestar (USA) Real Estate Group, Inc	898	Single-Family	1,500
Tract G	M/I Homes	<u>260</u>	<u>Single-Family</u>	<u>512</u>
<i>Subtotal</i>		<i>1,158</i>		<i>2,012</i>
Closed Contracts				
Tract A (1)	Taylor Morrison of Florida, Inc.	992	Single-Family	1,750
Tract B	Lennar Homes, LLC	545	Single-Family	1,374
Tract D	Pulte Home Company	[229]	Single-Family	472
Tract E	Solera Landco, LLC	278	Single-Family	675
Tract F	KH Lakewood Ranch, LLC	<u>250</u>	Single-Family	<u>648</u>
<i>Subtotal</i>		<i>2,294</i>		<i>4,919</i>
Total		3,452		6,931

- (1) The Tract A developer is currently under negotiations with the Landowner to purchase an additional nineteen (19) acres which will extend the eastern boundary of Tract A to Uihlein Road. Pending consummation of the purchase of such lands, Tract A will include 1,011 acres planned for 1,825 single family units. A modification to the zoning ordinance has been submitted to the County to allow for at a minimum of 1,825 single-family residential units planned within the expanded Tract A boundaries.

The narrative below provides a summary of the contract activity specific to Tracts H and I within the Northeast Sector as well as the biography of the contract purchaser which information has been obtained from their website. While the terms of the purchase and sale contract is subject to change until closing, the Landowner does not anticipate any changes to the terms of the sales contract that will significantly impact the sale of such land.

Forestar (USA) Real Estate Group Inc., a Delaware corporation, ("Forestar") has entered into a purchase and sale contract with the Landowner for the purchase of approximately [898] acres comprising Tracts H and I of the Northeast Sector (the "Forestar Contract"). The total fixed purchase price is \$25,125,000 calculated as 5% of the average retail sales price times the total number of developed housing units which is estimated to be 1,500 residential units. However, if Forestar's conceptual plan provides for fewer lots then the purchase price will be reduced proportionally. An initial deposit of \$25,000 was made at the execution of the Forestar Contract followed by \$250,000 within ten (10) days of the end of the inspection period, all of which will be credited to the fixed purchase price at closing. At closing, Forestar will deliver half of the purchase price to the Landowner and the remaining balance will be delivered via a purchase money promissory note (the "Promissory Note"). The Promissory Note will be secured by a mortgage for a portion of the lands comprising Tracts H and I, as described further herein. Additional consideration will be paid to the Landowner in the amount of 10.5% of sales price of a completed home less a credit calculated using the purchase price less the aggregate of all applied credits divided unsold homes. The Promissory Note will provide for \$12,562,500 plus accrued interest to the Landowner and will be secured by a Mortgage and Security Agreement collateralized by a portion of the lands within Tracts H and I sufficient to comprise 1,150 developable lots. The unpaid principal balance shall accrue interest at 4.0% and has a term of three (3) years from the execution of the Promissory Note. The accrued interest shall be paid on the second anniversary

of the date of the Promissory Note which shall include a prepayment of the interest for the final year of the Promissory Note.

The Forestar Contract stipulates that Forestar will actively seek to obtain entitlements during a ten (10) month period following the inspection period which ended on June 18, 2020. Additionally, the Forestar Contract sets forth certain conditions to be met prior to the closing date including, without limitation, obtaining any offsite easements necessary to support the development of Tracts H and I including those for roadway and utility systems and related appurtenances as well as obtaining any necessary permits and authorizations required to commence construction on off-site utilities, roads and related appurtenances to be constructed by Forestar, including signage, landscaping, utility facilities and systems and stormwater management systems. Additionally, the Landowner shall make reasonable efforts to cause the District to construct before closing all roadways, utilities lines and related facilities to the planned western entrance of the development. If the conditions of closing are not met, Forestar can elect to terminate the Forestar Contract and receive a full refund of the deposit. Based on timing and closing conditions set forth in the Forestar Contract, the Landowner anticipates closing will occur no later than October 31, 2020.

If Forestar intends to sell all or a portion of the land within Tracts H and I to other developers/homebuilders, the Forestar Contract identifies certain approved buyers for such purchase which include Anchor Builders of SW Florida, Arthur Rutenberg Homes, Ashton Woods, CC Homes, Del Webb, Divosta, D.R. Horton, GL Homes, Homes by Towne, Homes by West Bay, John Cannon Homes, Kolter Homes, Lee Wetherington Homes, Lennar Homes, M/I Homes, Moranda, Neal Communities, Neal Signature Homes, Pulte Homes, Sam Rodgers, Shea Homes-Trilogy, Stock Signature Homes, Taylor Morrison, Toll Brothers and WCI.

On June 24, 2020, Forestar received rezoning and preliminary site plan approval from the County for Tracts H and I for up to 1,500 residential units (single-family attached and detached, single-family demi-attached and multi-family). Forestar has not yet released the marketing name for Tracts H and I to the general public. The zoning ordinance sets forth certain stipulations pertaining to design and land use, storm water, environmental and utilities. Below is a description of certain of those stipulations.

Design and Land Use –

- Provide notice to prospective buyers of the planned thoroughfares adjacent to the project and potential noise associated with the planned roadways.
- Provide notice to prospective buyers of certain internal streets within the subdivision that will be privately owned and maintained by the Homeowner's Association.
- Provide notice to prospective buyers of active agriculture operations in the area and their potential impacts
- All applicable state and federal permits must be obtained prior to commencing development.

Utilities –

- Mandatory connection to the County water and wastewater system. The cost of connection, including design, permitting and construction of off-site extensions of lines, shall be responsibility of the landowner.

Environmental –

- All other applicable state and federal permits must be obtained prior to commencing development.
- Provide for a formal gopher tortoise burrow survey prior to construction in accordance with Fish and Wildlife guidelines.
- No lots shall be platted through post-development wetlands, wetland buffers or upland preservation areas.

Forestar Group Inc. is a residential lot development company with operations in fifty-one (51) markets in twenty-two (22) states and is a majority-owned subsidiary of D.R. Horton, Inc., the largest homebuilder by volume in the United States since 2002. Forestar is primarily focused on developing single-family residential communities for entry-level, first-time and first-time move-up homebuyers, the largest segments of the new home market. Forestar trades on the New York Stock Exchange under the symbol FOR. As a publicly traded company on the New York Stock Exchange, Forestar is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended (the "SEC Act"), and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The registration statement and these other SEC filings are available at the SEC's website at <https://www.sec.gov> and at the SEC's Public Reference Room at the SEC's Headquarters, located at 100 F Street, NE, Washington, D.C. 20549. All documents subsequently filed by Forestar pursuant to the requirements of the Exchange Act after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

The Assessment Areas

The District previously issued its \$14,985,000 2018 Phase 1A Bonds to repay the District's outstanding balance under the FCB Note at that time as well as to fund additional portions of the Northeast Sector Project. The 2018 Phase 1A Bonds were sized to correspond with the amount of special assessments allocable to Tracts E and F per the allocation set forth in the Assessment Reports which prescribe the assignment of special assessments from a per acre amount to a per unit amount upon the sale of property with specific entitlements transferred thereto or platting. Tracts E and F have since sold and closed to Solera Landco, LLC, the land banking entity for D.R. Horton, and Kolter, respectively, and the special assessments securing the 2018 Phase 1A Bonds have subsequently been allocated on a per unit basis to Tracts E and F.

The District subsequently issued its \$36,185,000 2018 Phase 1B Bonds to fund additional portions of the Northeast Sector Project in the approximate amount of \$33.3 million. The 2018 Phase 1B Bonds were levied on an equal per acre basis on the approximately 1,537 acres that constitute Tracts A and B. The 2018 Phase 1B Bonds were sized to correspond with the amount of special assessments allocable to Tracts A and B per the allocation set forth in the Assessment Reports which prescribe the assignment of special assessments from a per acre amount to a per unit amount upon the sale of property with specific entitlements transferred thereto or platting. Tracts A and B have since sold and closed to Taylor Morrison and Lennar, respectively, and the special assessments securing the 2018 Phase 1B Bonds have been allocated to such tracts on a per unit basis accordingly.

Additional portions of the Northeast Sector Project were funded with proceeds of the District's \$5,585,000 2019 Phase 2A Bonds in the approximate amount of \$5.1. The 2019 Phase 2A Bonds were initially levied on an equal per acre basis on all of the unsold and unplatting properties within the Northeast Sector totaling 1,696 acres. The 2019 Phase 2A Bonds were sized to correspond with the amount of special assessments allocable to Tract D planned for 472 single-family residential units per the allocation set forth in the Assessment Reports which prescribe the assignment of special assessments from a per acre amount to a per unit amount upon the sale of property with specific entitlements transferred thereto or platting. Tract D has since sold and closed to Pulte Homes and the special assessments securing the 2019 Phase 2A Bonds have been allocated in its entity to Tract D.

Initially, the Series 2020 Assessments securing the 2020 Bonds will be levied on an equal per acre basis on all of the unsold and unplatting properties within the Northeast Sector totaling 1,439 acres (the "2020 Assessment Area"). The 2020 Bonds have been sized to correspond with the amount of special assessments allocable to Tracts H and I planned for 1,500 single-family residential units per the allocation set forth in the Assessment Reports which prescribe the assignment of special assessments from a per acre amount to a per unit amount upon the sale of property with specific entitlements transferred thereto or platting. Accordingly, upon consummation of the sale of Tracts H and I with Forestar, as previously discussed in more detail herein under the heading "Land Sale/Contract Activity", the Series 2020 Special Assessments will be assigned in their entirety to Tracts H and I.

Schools

Based upon current school zoning, children residing in the Northeast Sector would generally attend B.D. Gullett Elementary School, R. Dan Nolan Middle School and Lakewood Ranch High School all 'A' rated schools for 2019 according to the Florida Department of Education.

Marketing

SMR and its affiliates undertake a comprehensive marketing effort for Lakewood Ranch in its entirety and estimate that their calendar year 2020 marketing expenditures will be approximately \$9.0 million. Such expenditures are primarily funded with a 3% marketing fee each developer/homebuilder, inclusive of those that will purchase lands within the Northeast Sector, is required to pay upon the closing of the sale of a new home in Lakewood Ranch. Further, it is anticipated that each of the tract developers in the Northeast Sector will employ their own marketing efforts to market their respective neighborhoods.

Fees and Assessments

Each homeowner residing in the 2020 Assessment Area will 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, Series 2020 Assessments, HOA fees, and administrative, operation and maintenance assessments levied by the District as described in more detail below.

Property Taxes:

The 2019 millage rate for the area of the County where the Development is located is approximately 15.6694 mills. Accordingly, by way of example, the annual property taxes for a \$350,000 taxable value home would be \$5,484.

Homeowner's Association Fee:

All homeowners will be subject to annual HOA fees for architectural review, deed restriction enforcement, as well as operation and maintenance of the HOA-owned facilities located within the respective neighborhoods planned in the Northeast Sector. The HOA's fees will vary annually based on the adopted budget by the HOA for a particular year. Each neighborhood within the Northeast Sector will carry its own HOA fee specific to its community.

District Special Assessments:

All homeowners residing in the 2020 Assessment Area will be subject to the Series 2020 Assessments levied in connection with the 2020 Bonds. In addition to the Series 2020 Assessments, all homeowners will be subject to annual operations 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 estimated Series 2020 Assessments and FY21 O&M Assessment that will be levied by the District.

<u>Unit Type</u>	<u># of Planned Units</u>	<u>Est. Annual Series 2020 Assessment Per Unit (Gross)</u>	<u>Annual FY21 O&M Assessment Per Unit (Gross)*</u>
Tract H and I Single-Family	1,500	\$743	\$302

* O&M Assessments are initially levied on a per acre basis until lots are platted. The estimated annual FY21 O&M Assessments per undeveloped acre is [\$70].

At this time, Forestar has conveyed to the Landowner that it intends to request the District to issue additional Bonds for public infrastructure within Tracts H and I. To the extent Forestar does decide to issue additional Bonds, such Bonds will be secured by special assessments levied on such tracts and therefore will overlap with the Series 2020 Assessments. The information appearing in the chart below provides the maximum permitted assessment levels when taking into account the Series 2020 Assessments and future special assessments that may be levied in conjunction with additional Series of Bonds (see "SECURITY FOR AND SOURCE OF PAYMENT OF THE 2020 BONDS – No Parity Bonds").

<u>Product-Type</u>	<u>Maximum Gross Annual Assessment Levels</u>
TH	\$1,480
Villas	\$1,830
40' - 49'	\$1,830
50' - 59'	\$2,080

60' - 69'	\$2,330
70' - 79'	\$2,680
80' - 89'	\$2,930
90' - 99'	\$2,930

Competition

Lakewood Ranch is its own submarket and as such it is anticipated primary competitors for the tracts located within the Northeast Sector and thus the Series 2020 Assessment Area therein will include actively selling neighborhoods within the Manatee County portion of Lakewood Ranch. Please see "LAKEWOOD RANCH", for a description of such active neighborhoods.

TAX MATTERS

General

The Code establishes certain requirements which must be met subsequent to the issuance of the 2020 Bonds in order that interest on the 2020 Bonds be and remain excluded from gross income for purposes of federal income taxation. Non-compliance may cause interest on the 2020 Bonds to be included in federal gross income retroactive to the date of issuance of the 2020 Bonds, regardless of the date on which such non-compliance occurs or is ascertained. These requirements include, but are not limited to, provisions which prescribe yield and other limits within which the proceeds of the 2020 Bonds and the other amounts are to be invested and require that certain investment earnings on the foregoing must be rebated on a periodic basis to the Treasury Department of the United States. The District has covenanted in the Indenture with respect to the 2020 Bonds to comply with such requirements in order to maintain the exclusion from federal gross income of the interest on the 2020 Bonds.

In the opinion of Bond Counsel, assuming compliance with certain covenants, under existing laws, regulations, judicial decisions and rulings, interest on the 2020 Bonds (including any original issue discount properly allocable to the owner thereof) is excluded from gross income for purposes of federal income taxation. Interest on the 2020 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax.

Except as described above, Bond Counsel will express no opinion regarding other federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of 2020 Bonds. Prospective purchasers of 2020 Bonds should be aware that the ownership of 2020 Bonds may result in collateral federal income tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry 2020 Bonds; (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by fifteen percent (15%) of certain items, including interest on 2020 Bonds; (iii) the inclusion of interest on 2020 Bonds in earnings of certain foreign corporations doing business in the United States for purposes of the branch profits tax; (iv) the inclusion of interest on 2020 Bonds in passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year; and (v) the inclusion of interest on 2020 Bonds in "modified adjusted gross income" by recipients of certain Social Security and Railroad Retirement benefits for the purposes of determining whether such benefits are included in gross income for federal income tax purposes.

As to questions of fact material to the opinion of Bond Counsel, Bond Counsel will rely upon representations and covenants made on behalf of the District, certificates of appropriate officers and certificates of public officials (including certifications as to the use of proceeds of the 2020 Bonds and of the property financed or refinanced thereby), without undertaking to verify the same by independent investigation.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE 2020 BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL AND CORPORATE BONDOWNERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDOWNERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

Information Reporting and Backup Withholding

Interest paid on tax-exempt bonds such as the 2020 Bonds is subject to information reporting to the Internal Revenue Service. Interest paid on tax-exempt bonds such as the 2020 Bonds is subject to information reporting to the Internal Revenue Service in a manner similar to interest paid on taxable obligations. This reporting requirement does not affect the excludability of interest on the 2020 Bonds from gross income for federal income tax purposes. However, in conjunction with that information reporting requirement, the Code subjects certain non-corporate owners of 2020 Bonds, under certain circumstances, to "backup withholding" at the rate specified in the Code with respect to payments on the 2020 Bonds and proceeds from the sale of 2020 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of 2020 Bonds. This withholding generally applies if the owner of 2020 Bonds (i) fails to furnish the payor such owner's social security number or other taxpayer identification number ("TIN"), (ii) furnished the payor an incorrect TIN, (iii) fails to properly report interest, dividends, or other "reportable payments" as defined in the Code, or (iv) under certain circumstances, fails to provide the payor or such owner's securities broker with a certified statement, signed under penalty of perjury, that the TIN provided is correct and that such owner is not subject to backup withholding. Prospective purchasers of the 2020 Bonds may also wish to consult with their tax advisors with respect to the need to furnish certain taxpayer information in order to avoid backup withholding.

Other Tax Matters Relating to the 2020 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 2020 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 2020 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 2020 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 2020 Bonds.

Prospective purchasers of the 2020 Bonds should consult their own tax advisors as to the tax consequences of owning the 2020 Bonds in their particular state or local jurisdiction and regarding any pending or proposed federal or state tax legislation, regulations or litigation, as to which Bond Counsel expresses no opinion.

In 2016, the Internal Revenue Service ("IRS") issued a notice of proposed rulemaking containing proposed regulations (the "Proposed Regulations") that provide guidance as to the definition of a political subdivision (including community development districts such as the District) for purposes of the rules for tax-exempt bonds. Although the Proposed Regulations were later withdrawn in 2017, the Secretary of the Treasury advised that Treasury and the IRS will continue to study the legal issues relating to political subdivisions and may propose more targeted guidance in the future.

Beginning in 2013, the IRS conducted a lengthy examination challenging the tax-exempt status of bonds issued by the Village Center CDD, a Florida special district established under Chapter 190, Florida Statutes. The IRS concluded in a technical advice memorandum (the "Villages TAM") that the Village Center CDD is not a political subdivision permitted to issue tax-exempt bonds based on a number of facts including that its governing board is elected by a small group of landowners, and that it "was organized and operated to perpetuate private control and avoid indefinitely responsibility to a public electorate, either directly or through another state or local governmental body."

Although the IRS closed the examination of the Village Center CDD with no change to the tax-exempt status of the bonds, the Villages TAM and the Proposed Regulations may reflect the disfavor of the IRS toward governmental entities with governing boards elected by landowners, and this position may lead the enforcement branch of the IRS to select bonds of other issuers with landowner-controlled boards for examination.

Like the board of the Village Center CDD, the Board of Supervisors of the District is elected by the landowners in the District. However, 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. The Act, which contains the uniform statutory charter for all community development districts and by which the District is governed, delegates to the District certain traditional sovereign powers including, but not limited to, eminent domain, ad valorem taxation and regulatory authority over rates, fees and charges for district facilities. On the basis of the Act and certain representations by the District as to its reasonable expectations of transition to a resident-elected Board of Supervisors, it does not appear from the facts and circumstances that the District was organized to avoid indefinitely responsibility to a public electorate. On the basis of the foregoing and other factors, Bond Counsel has concluded that under current law the District is a political subdivision for purposes

of Section 103 of the Code, notwithstanding that its Board of Supervisors is temporarily elected by landowners. Bond counsel intends to deliver its unqualified approving opinion in the form attached hereto as "APPENDIX C: FORM OF OPINION OF BOND COUNSEL."

Owners of the 2020 Bonds are advised that if the IRS does audit the Series 2020 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 2020 Bonds may have limited rights to participate in such procedure. The Indenture does not provide for any adjustment to the interest rates borne by the Series 2020 Bonds in the event of a change in the tax-exempt status of the 2020 Bonds. The commencement of an audit or an adverse determination by the IRS with respect to the tax-exempt status of interest on the Series 2020 Bonds could adversely impact both liquidity and pricing of the 2020 Bonds in the secondary market.

Tax Treatment of the Original Issue Discount

Under the Code, the difference between the maturity amount of the 2020 Bonds maturing on May 1, _____, May 1, _____ and May 1, _____ (each a "Discount Bond"), and the initial offering price to the public, excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers, at which price a substantial amount of the Discount Bond was sold is "original issue discount." Original issue discount will accrue over the term of the Discount Bond at a constant interest rate compounded periodically. A purchaser who acquires the Discount Bond in the initial offering at a price equal to the initial offering price thereof to the public will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period he or she holds the Discount Bond, and will increase his or her adjusted basis in the Discount Bond by the amount of such accruing discount for purposes of determining taxable gain or loss on the sale or disposition of the Discount Bond. The federal income tax consequences of the purchase, ownership and redemption, sale or other disposition of the Discount Bond which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those above. Bondholders of the Discount Bond should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon sale, redemption or other disposition of the Discount Bond and with respect to the state and local tax consequences of owning and disposing of the Discount Bond.

AGREEMENT BY THE STATE

Under the Act, the State pledges to the holders of any obligations issued thereunder, including the 2020 Bonds, that it will not limit or alter the rights of the District to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects subject to the Act or to levy and collect taxes, assessments, rentals, rates, fees, and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such 2020 Bonds and that it will not in any way impair the rights or remedies of such holders.

LEGALITY FOR INVESTMENT

The Act provides that the 2020 Bonds are legal investments for savings banks, banks, trust companies, insurance companies, executors, administrators, trustees, guardians, and other fiduciaries, and for any board, body, agency, instrumentality, county, municipality or other political subdivision of the State, and constitute securities which may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required for voluntary statutory deposits.

DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS

Rule 69W-400.003, Rules of Government Securities under Section 517.051(1), Florida Statutes, promulgated by the Florida Department of Financial Services, Office of Financial Regulation, Division of Securities and Finance ("Rule 69W-400.003"), requires the District to disclose each and every default as to the payment of principal and interest with respect to obligations issued or guaranteed by the District after December 31, 1975. Rule 69W-400.003 further provides, however, that if the District, in good faith, believes that such disclosures would not be considered material by a reasonable investor, such disclosures may be omitted. The District is not and has not since December 31, 1975 been in default as to principal and interest on its bonds or other debt obligations.

CONTINUING DISCLOSURE

In order to comply with the continuing disclosure requirements of Rule 15c2-12(b)(5) of the Securities and Exchange Commission (the "SEC Rule"), the District, the Landowner and PFM Group Consulting LLC, as dissemination agent (the "Dissemination Agent") will enter into a Continuing Disclosure Agreement (the "District/Landowner Disclosure Agreement"), the form of which is attached hereto as APPENDIX D. Pursuant to the District/Landowner Disclosure Agreement, the District has covenanted for the benefit of Bondholders to provide to the Dissemination Agent certain financial information and operating data relating to the District and the 2020 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 2020 Bonds remain outstanding under the Indenture.

Pursuant to the District/Landowner Disclosure Agreement, the Landowner has covenanted for the benefit of Bondholders to provide to the District and the Dissemination Agent certain financial information and operating data relating to the Landowner and Northeast Sector and the properties subject to the Series 2020 Assessments (the "Landowner Report"). Such covenant by the Landowner will apply only until the earlier to occur of (x) the payment and redemption of the 2020 Bonds, or (y) the Landowner is no longer an Obligated Person.

The District Annual Report and the Landowner 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 District/Landowner Disclosure Agreement attached hereto as APPENDIX D. The notices of material events will also be filed by the District with EMMA. The specific nature of the information to be contained in the Reports and the notices of material events are described in APPENDIX D. The District/Landowner Disclosure Agreement will be executed by the applicable parties at the time of issuance of the 2020 Bonds. The foregoing covenants have been made in order to assist the Underwriter in complying with the SEC Rule.

With respect to the 2020 Bonds, no parties other than the District or the Landowner are obligated to provide any continuing disclosure information with respect to the SEC Rule.

The District has previously entered into continuing disclosure undertakings as required by the SEC Rule with respect to other bond issuances. Over the past five years, the District failed to make timely filings of certain reports and/or notices as required by such continuing disclosure undertakings and some of such untimely filings were not separately reported as listed events.

In connection with the issuance of the 2018 Phase 1A Bonds and the 2018 Phase 1B Bonds, the Landowner entered into commitments subjecting it to the reporting requirements of the SEC Rule. The Landowner has materially complied with such reporting requirements.

FINANCIAL STATEMENTS

The audited financial statements of the Issuer for the fiscal year ended September 30, 2019 are included as APPENDIX F hereto. Such audited financial statements, including the auditor's report thereon, have been included as APPENDIX F hereto as public documents and the consent of the auditors to include such document was not requested.

ENFORCEABILITY OF REMEDIES

The remedies available to the Owners of the 2020 Bonds upon an event of default under the Indenture are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including the federal bankruptcy code, the remedies specified by the Indenture and the 2020 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the 2020 Bonds will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

LITIGATION

The District. There is no litigation of any nature now pending or threatened restraining or enjoining the issuance, sale, execution or delivery of the 2020 Bonds, or in any way contesting or affecting the validity of the 2020 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 2020 Bonds, or the existence or powers of the District.

The Landowner. There is no litigation pending, or to the knowledge of the Landowner, threatened against the Landowner that could in any way affect the development to be undertaken by the Landowner as described herein.

SMR. There is no litigation pending, or to the knowledge of SMR, threatened against SMR that could in any way affect the development of Lakewood Ranch as described herein.

NO RATING OR CREDIT ENHANCEMENT

The 2020 Bonds are neither rated nor credit enhanced. No application for a rating or credit enhancement with respect to the 2020 Bonds was made.

UNDERWRITING

The Underwriter has agreed, pursuant to a contract entered into with the District, subject to certain conditions, to purchase the 2020 Bonds from the District at an aggregate purchase price of \$_____ (representing the par amount of the 2020 Bonds of \$_____, and less an Underwriter's discount of \$_____ and less original issue discount of \$_____.). See "ESTIMATED SOURCES AND USES OF PROCEEDS" herein. The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all the 2020 Bonds if any are purchased.

The Underwriter intends to offer the 2020 Bonds at the offering prices set forth on the cover page of this Limited Offering Memorandum, which may subsequently change without prior notice. The Underwriter may offer and sell the 2020 Bonds to certain dealers (including dealers depositing the 2020 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.

DISCLOSURE OF MULTIPLE ROLES

Bondholders should note that PFM Group Consulting LLC is acting in the capacities of District Manager responsible for the administrative operations of the District and is serving as Dissemination Agent for purposes of the SEC Rule. PFM Financial Advisors LLC is serving as the methodology consultant responsible for the ASSESSMENT REPORTS attached hereto as "APPENDIX E – ASSESSMENT REPORTS" and as the District's Municipal Advisor.

EXPERTS

The references herein to Stantec Consulting Services Inc., as the District Engineer and the inclusion of "APPENDIX A – ENGINEER'S REPORT" prepared by Stantec Consulting Services, Inc., attached hereto, have been approved by said firm. The Engineer's Report should be read in its entirety for complete information with respect to the subjects discussed therein. PFM Financial Advisors LLC has prepared the Assessment Reports set forth in APPENDIX E hereto and such appendix should be read in its entirety for complete information with respect to the subjects discussed therein.

CONTINGENT FEES

Bond Counsel, the Underwriter and Counsel to the Underwriter will receive fees for services rendered in connection with the issuance of the Bonds, which fees are contingent upon such issuance.

LEGAL MATTERS

Certain legal matters related to the authorization, sale and delivery of the 2020 Bonds are subject to the approval of Bryant Miller Olive P.A., Orlando, Florida, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel Akerman LLP, Orlando, Florida. Certain legal matters will be passed upon for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida. Certain legal matters will be passed upon for the Trustee by Holland & Knight, LLP, Miami, Florida. Certain legal matters will be passed upon for the Landowner by its in-house Counsel.

Bond Counsel's opinions included herein are based on existing law, which is subject to change. Such opinions are further based on factual representations made to Bond Counsel as of the date hereof. Bond Counsel assumes no duty to update or supplement its opinions to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinions are not a guarantee of a particular result, and are not binding on the Internal Revenue Service or the courts;

rather, such opinions represent Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinions.

MUNICIPAL ADVISOR

PFM Financial Advisors LLC is serving as the District's Independent Registered Municipal Advisor in connection with the issuance of the 2020 Bonds.

VALIDATION

On December 20, 2005, the Circuit Court in and for Manatee and Sarasota Counties, Florida validated the issuance by the District of not exceeding \$4 billion in principal amount of its special assessment revenue bonds. The appeal period from such final judgment has expired with no appeal having been filed. The Bonds are included within the validated amount.

MISCELLANEOUS

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

The references herein to the 2020 Bonds and other documents referred to herein are brief summaries of certain provisions thereof. Such summaries do not purport to be complete and reference is made to such documents for full and complete statements of such provisions.

This Limited Offering Memorandum has been prepared in connection with the sale of the 2020 Bonds and may not be reproduced or used, as a whole or in part, for any purpose. This Limited Offering Memorandum is not to be construed as a contact with the purchaser or the Owner or Beneficial Owners of any of the 2020 Bonds.

This Limited Offering Memorandum has been duly authorized, executed and delivered by the District.

LAKWOOD RANCH STEWARDSHIP DISTRICT

By: _____
Chair, Board of Supervisors

APPENDIX A
ENGINEER'S REPORT

APPENDIX B

INDENTURE

APPENDIX C
FORM OF OPINION OF BOND COUNSEL

APPENDIX D
FORM OF CONTINUING DISCLOSURE AGREEMENT

APPENDIX E
ASSESSMENT METHODOLOGY REPORTS

APPENDIX F

AUDITED FINANCIAL STATEMENTS OF THE DISTRICT
FOR THE YEAR ENDED SEPTEMBER 30, 2018

EXHIBIT D

FORM OF CONTINUING DISCLOSURE AGREEMENT

CONTINUING DISCLOSURE AGREEMENT

This **CONTINUING DISCLOSURE AGREEMENT** (the “Disclosure Agreement”) dated _____, 2020 is executed and delivered by the **LAKEWOOD RANCH STEWARDSHIP DISTRICT** (the “District” or the “Issuer”), **SMR NORTHEAST, LLC** a Florida limited liability company (the “Landowner”) and joined in by the Disclosure Representative and the Trustee (as such terms are herein defined), in connection with the issuance of \$_____ Lakewood Ranch Stewardship District Special Assessment Revenue Bonds, Series 2020 (Northeast Sector Project - Phase 2B) (the “Bonds”). The Bonds are being issued pursuant to a Master Trust Indenture dated as of September 1, 2005, as supplemented by a Thirty-First Supplemental Trust Indenture dated as of October 1, 2020 (collectively, the “Indenture”), each between the District and U.S. Bank National Association, as trustee (the “Trustee”). For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, and in consideration of the mutual promises and other considerations contained herein, the District and the Landowner covenant and agree as follows:

1. Purpose of the Disclosure Agreement. This Disclosure Agreement is being executed and delivered by the District and the Landowner for the benefit of the Owners of the Bonds and to assist the Participating Underwriter of the Bonds in complying with the applicable provisions of Rule 15c2-12(b)(5) promulgated by the Securities and Exchange Commission (“SEC”) pursuant to the Securities Exchange Act of 1934, as amended from time to time (the “Rule”). The District and the Landowner understand and acknowledge that the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction or a governmental regulatory agency that the Rule requires the District or the Landowner to provide additional information, the District and the Landowner, as applicable, agree to promptly provide such additional information.

The provisions of this Disclosure Agreement are supplemental and in addition to the provisions of the Indenture with respect to reports, filings and notifications provided for therein, and do not in any way relieve the District, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the District, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. Definitions. In addition to the definitions set forth in the Indenture, which apply to any capitalized term used in this Disclosure Agreement unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

“Annual Filing Date” means the date set forth in Section 4(a) hereof by which the Annual Report is to be filed with the MSRB.

“Annual Financial Information” means annual financial information as such term is used in paragraph (b)(5)(i)(A) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Annual Report” shall mean any Annual Report provided by the District pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

“Series 2020 Assessments” shall mean the non ad valorem special assessments pledged to the payment of the Bonds pursuant to the Indenture.

“Audited Financial Statements” means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i)(B) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

“Beneficial Owners” shall mean any person which (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries) or (b) is treated as the owner of any Bond for federal income tax purposes.

“Business Day” means a day other than (a) a Saturday, Sunday or day on which banks located in the city in which the designated corporate trust office of the Trustee and Paying Agent is located are required or authorized by law or executive order to close for business and (b) a day on which the New York Stock Exchange is closed.

“Disclosure Representative” shall mean (i) as to the District, the District Manager or its designee, or such other person as the District shall appoint from time to time, with notice to the Dissemination Agent, as the person responsible for providing information to the Dissemination Agent; and (ii) as to any entity other than the District while it is an Obligated Person, the individual executing this Disclosure Agreement on behalf of such entity or such person(s) as such entity shall designate in writing to the Dissemination Agent from time to time as the person(s) responsible for providing information to the Dissemination Agent

“Dissemination Agent” shall mean PFM Group Consulting, LLC, acting in its capacity as Dissemination Agent hereunder, or any successor Dissemination Agent appointed by the District.

“District Manager” shall mean the person or entity serving as District Manager from time to time.

“EMMA” means the Electronic Municipal Market Access system as described in 1934 Act Release No. 59062 and maintained by the MSRB for purposes of the Rule and accessible through its web portal located at <http://emma.msrb.org>.

“Financial Obligation” means a (a) debt obligation, (b) derivative instrument entered into in connection with, or pledged as security or a source of payment for, an existing or planned debt obligation, or (c) guarantee of an obligation or instrument described in either clause (a) or (b). Financial Obligation shall not include municipal securities as to which a final official statement has been provided to the MSRB consistent with the Rule.

“Fiscal Year” shall mean the period commencing on October 1 and ending on September 30 of the next succeeding year, or such other period of time provided by applicable law.

“Limited Offering Memorandum” shall mean the Limited Offering Memorandum dated October ___, 2020 prepared in connection with the issuance of the Bonds.

“Listed Event” shall mean any of the events listed in Section 7(a) of this Disclosure Agreement.

“MSRB” shall mean the Municipal Securities Rulemaking Board.

“MSRB Website” shall mean www.emma.msrb.org.

“Northeast Sector” shall mean the Northeast Sector as described in the Limited Offering Memorandum.

“Northeast Sector Project-Phase 2B” shall mean the public improvements and other capital assets acquired and constructed with proceeds of the Bonds.

“Obligated Person(s)” shall mean, with respect to the Bonds, those person(s) who either generally or through an enterprise fund or account of such persons are committed by contract or other arrangement to support payment of all or a part of the obligations on such Bonds, other than providers of municipal bond insurance, letters of credit, or other liquidity facilities which person(s) shall include the District and the Landowner or any other landowner in the District, while the Landowner or such other landowner is the owner of lands within the District responsible for payment of at least twenty percent (20%) of the Series 2020 Assessments.

“Owners” shall have the meaning ascribed thereto in the Indenture with respect to the Bonds and shall include beneficial owners of the Bonds, including those that have 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 are treated as the owner of any Bonds for federal income tax purposes.

“Participating Underwriter” shall mean MBS Capital Markets, LLC, in its capacity as the original underwriter of the Bonds required to comply with the Rule in connection with offering of the Bonds.

“Quarterly Report” shall mean any Quarterly Report provided by the Landowner, its successors or assigns or any other Obligated Person other than the District and as described in, Sections 5 and 6 of this Disclosure Agreement.

“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 approved by the SEC may be found by visiting the SEC’s website at <http://www.sec.gov/info/municipal/nrmsir.htm>. As of the date hereof, the Repository recognized by the SEC for such purpose is the MSRB, which currently accepts continuing disclosure submissions through its (“EMMA”) web portal at “<http://emma.msrb.org>.”

“State” shall mean the State of Florida.

3. Content of Annual Reports.

(a) The District’s Annual Report shall contain or incorporate by reference Annual Financial Information with respect to the District which includes:

- (i) The amount of Series 2020 Assessments levied for the most recent Fiscal Year.
- (ii) The amount of Series 2020 Assessments collected from property owners during the most recent Fiscal Year.
- (iii) If available, the amount of Series 2020 Assessment delinquencies greater than 150 days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of Series 2020 Assessments due in any year, a list of delinquent property owners.
- (iv) If available, the amount of tax certificates sold for lands within the District, subject to the Series 2020 Assessments, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.
- (v) The balances in all funds, accounts and subaccounts for the Bonds. If requested by the Owners, the District shall provide any Owners and the Dissemination Agent with this information more frequently than annually and within thirty (30) days of the written request of the Owners.
- (vi) The total amount of Bonds Outstanding.
- (vii) The amount of principal and interest due on the Bonds in the current Fiscal Year.
- (viii) The most recent Audited Financial Statements of the District.
- (ix) Any amendment or waiver of the provisions hereof as described in Section 11 hereof.

To the extent any of the items set forth in subsections (i) through (vii) above are included in the Audited Financial Statements referred to in subsection (viii) above, they do not have to be separately set forth. Any or all of the items listed above may be incorporated by reference from other documents, including offering documents of debt issues of the District or related public entities, which have been submitted to each of the Repositories or the SEC. If the document incorporated by reference is a final offering document, it must be available from the MSRB or EMMA. The District shall clearly identify each such other document so incorporated by reference.

- (b) Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

4. Provision of Annual Reports.

- (a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than May 1 after the close of the Issuer's Fiscal Year, commencing with the Fiscal Year ended September 30, 2020 in an electronic format as prescribed by a Repository. The Annual Report may be submitted as a single document or as separate

documents comprising a package, and may cross-reference other information as provided in Section 3(a) of this Disclosure Agreement; provided that the Audited Financial Statements of the District may be submitted separately from the balance of the Annual Report, and may be submitted up to, but no later than, two hundred and seventy (270) days after the close of the District's Fiscal Year or consistent with Florida law as amended from time to time. If applicable law changes the Issuer's Fiscal Year from the period commencing on October 1 and ending on September 30 of the next succeeding year, the Issuer shall cause the Dissemination Agent to give notice of such change in the same manner as for a Listed Event under Section 7(a). Dissemination Agent shall file the Annual Report and the Audited Financial Statements with each Repository within thirty (30) days of their receipt.

(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 Disclosure Representative of the District 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 4(a) above. Upon such reminder, the Disclosure Representative of the District, shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report in accordance with Section 4(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 the 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)(xv) has occurred and to immediately send a notice to any Repository in electronic format as required by such Repository in substantially the form attached as Exhibit A hereto.

(c) The Dissemination Agent shall:

(i) determine each year prior to the date for providing the Annual Report the name and address of any Repository; and

(ii) promptly upon fulfilling its obligations under subsection (b) above, file a notice with the Issuer certifying that the Annual Report has been provided pursuant to this Disclosure Agreement, state the date(s) it was provided and listing any Repository to which it was provided.

5. **Content of Quarterly Reports.**

(a) The Landowner, until its obligations hereunder have been terminated pursuant to Section 9 hereof, shall prepare a Quarterly Report no later than thirty (30) days after the end of each calendar quarter commencing, March 31, 2021; provided, however, that so long as Landowner is a reporting company, such thirty (30) days shall be extended to the date of filing of its respective 10K or 10Q if later, as the case may be (each, a "Quarterly Receipt Date").

(b) Each Quarterly Report shall also address the following information if such information is not otherwise provided pursuant to subsection (c) of this Section 5:

(i) Status of the development of the infrastructure described in the Limited Offering Memorandum under the heading "NORTHEAST SECTOR – District Infrastructure Status".

- (ii) The number of single-family homes planned subject to the Series 2020 Assessments.
- (iii) The number of single-family units sold to end users subject to the Series 2020 Assessments.
- (iv) The estimated date of complete build-out of residential units subject to the Series 2020 Assessments.
- (v) Any bulk sale of the land subject to the Series 2020 Assessments other than as contemplated by the Limited Offering Memorandum.
- (vi) The status of development approvals for the infrastructure described in the Limited Offering Memorandum under the heading "NORTHEAST SECTOR – Permitting".
- (vii) Materially adverse changes or determinations to permits/approvals for the Northeast Sector which necessitate changes to the land-use or other plans for the Northeast Sector.
- (viii) Updated plan of finance (i.e., status of any credit enhancement, issuance of additional bonds to complete project, mortgage debt, etc.).
- (ix) Any event that would have a material adverse impact on the implementation of the Northeast Sector as described in the Limited Offering Memorandum or on the ability to undertake the development of the Northeast Sector as described in the Limited Offering Memorandum.
- (x) Any amendment or waiver of the provisions hereof pursuant to Section 11 hereof.

(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 Repositories or the SEC. The Landowner shall clearly identify each other document so incorporated by reference.

(d) If the Landowner sells, assigns or otherwise transfers ownership of real property in the Northeast Sector subject to the Series 2020 Assessments to a third party, which will in turn be an Obligated Person for purposes of the Disclosure Agreement as a result thereof (a "Transfer"), the Landowner hereby agrees to require such third party to comply with the disclosure obligations of the Landowner 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 Landowner involved in such Transfer shall promptly notify the District and the Dissemination Agent in writing of the Transfer. For purposes of Sections 5, 6 and 9 hereof, the term "Landowner" shall be deemed to include any third party that becomes an Obligated Person hereunder as a result of a Transfer. In the event that the Landowner remains an Obligated Person hereunder following any Transfer, nothing herein shall be construed to relieve the Landowner from their obligations hereunder.

6. Provision of Quarterly Reports.

(a) The Landowner shall provide a Quarterly Report which contains the information in Sections 5(b) and (c) of this Disclosure Agreement to the Dissemination Agent no later than the Quarterly Receipt Date for such Quarterly Report. Within thirty (30) days of the Quarterly Receipt Date, the Dissemination Agent shall file the Quarterly Report provided to it by the Landowner with each Repository (the "Quarterly Filing Date").

(b) If on the seventh (7th) day prior to each Quarterly Receipt Date the Dissemination Agent has not received a copy of the Quarterly Report due on such Quarterly Receipt Date, the Dissemination Agent shall contact the Landowner by telephone and in writing (which may be by e-mail) to remind the Landowner of its undertaking to provide the Quarterly Report pursuant to Sections 5 and 6. Upon such reminder, the Landowner shall either (i) provide the Dissemination Agent with an electronic copy of the Quarterly Report in accordance with Section 6(a) above, or (ii) instruct the Dissemination Agent in writing that the Landowner will not be able to file the Quarterly Report within the time required under this Disclosure Agreement and state the date by which such Landowner Report will be provided.

(c) If the Dissemination Agent has not received a Quarterly Report that contains, at a minimum, the information in Section 5(b) of this Disclosure Agreement by 12:00 noon on the first business day following each Quarterly Receipt Date, a Listed Event described in Section 7(a)(xv) shall have occurred and the District and the Landowner 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 District. The Dissemination Agent shall file such notice no later than thirty (30) days following the applicable Quarterly Receipt 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 Landowner and the District stating that the Quarterly Report has been provided pursuant to this Disclosure Agreement and stating the date(s) it was provided.

7. Reporting of Significant 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 Bonds 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 number (xv) or (xviii) below, which notice shall be given in a timely manner:

- (i) Principal and interest payment delinquencies on the Bonds;
- (ii) Non-payment related defaults, if material;

- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
 - (iv) Unscheduled draws on credit enhancements reflecting financial difficulties*;
 - (v) Substitution of credit or liquidity providers, or their failure to perform*;
 - (vi) Adverse tax opinions or the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
 - (vii) Modifications to rights of Bond holders, if material;
 - (viii) Bond calls, if material, and tender offers;
 - (ix) Defeasances;
 - (x) Release, Substitution, or sale of property securing repayment of the Bonds, if material;
 - (xi) Any Rating Changes.**
- (xii) Bankruptcy, insolvency, receivership or similar event of any Obligated Person. For the purposes of event (xii), the event is considered to occur 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 governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.
- (xiii) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material.
- (xiv) The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of an Obligated Person, other than in the ordinary course of business, the entry into a definitive

* Note: There are currently no credit or liquidity providers for the Bonds.

** Note: The Bonds are not rated.

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;

(xv) Failure to provide any Annual Report or Quarterly Report as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) or Section 5(b) of this Disclosure Agreement, respectively;

(xvi) Incurrence of a Financial Obligation of the Issuer or Obligated Person, if material, or agreement to covenants, events of default, remedies, priority rights, or other similar terms of a Financial Obligation of the Issuer or Obligated Person, any of which affect security holders, if material;

(xvii) Default, event of acceleration, termination event, modification of terms, or other similar events under the terms of the Financial Obligation of the Issuer or Obligated Person, any of which reflect financial difficulties;

(xviii) Any amendment to the accounting principles to be followed by the District in preparing its financial statements.

(b) Each Obligated Person shall notify the Issuer of the occurrence of a Listed Event described in Sections 7(a)(x), (xii), (xiv), (xv), (xvi) or (xvii) above as to such Obligated Person within five (5) Business Days after the occurrence of the Listed Event so as to enable the Issuer to comply with its obligations under this Section 7.

8. **Identifying Information.** In accordance with the Rule, all disclosure filings submitted pursuant to this Disclosure Agreement to any Repository must be accompanied by identifying information as prescribed by the Repository. Such information may include, but not be limited to:

(a) the category of information being provided;

(b) the period covered by any annual financial information, financial statement or other financial information or 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 obligation under this Disclosure Agreement shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds, so long as there is no remaining liability of the Issuer, or if the Rule is

repealed or no longer in effect. The Landowner's obligations hereunder shall terminate at the earlier of the legal defeasance, prior redemption or payment in full of the Bonds or such time as it is no longer an Obligated Person. If such termination occurs prior to the final maturity of the Bonds, the Landowner shall give notice of such termination in the same manner as for a Listed Event under Section 7.

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 the Disclosure Agreement, and may discharge any 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 PFM Group Consulting, LLC. The Dissemination Agent shall not be responsible in any manner for the content of any notice or report prepared by the Issuer pursuant to this Disclosure Agreement.

11. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer, the Landowner and the Dissemination Agent may amend this Disclosure Agreement or any provision of this Disclosure Agreement may be waived, provided that the following conditions are satisfied:

(a) If the amendment or waiver relates to the provisions of Section 3(a), 4, 5, 6 or 7(a), it may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer and/or the Landowner, or the type of business conducted;

(b) The undertaking, as amended or taking into account such waiver, would in the opinion of counsel to the District expert in federal securities laws, have complied with the requirements of the Rule at the time of the original issuance of the Bonds, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and

(c) The amendment or waiver either (i) is approved by the holders or Beneficial Owners of the Bonds in the same manner as provided in the Indenture for amendments to the Indenture with the consent of holders or Beneficial Owners, or (ii) does not, in the opinion of nationally recognized bond counsel, materially impair the interest of the holders or Beneficial Owners of the Bonds.

Notwithstanding the foregoing, the Issuer, the Landowner 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 Securities and Exchange Commission from time to time.

In the event of any amendment or waiver of a provision of this Disclosure Agreement, the Issuer and the Landowner, as applicable, shall describe such amendment in its next Annual Report or Quarterly Report, as applicable, and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of a change of accounting principles, on the presentation) of financial information or operating data being presented by the Issuer or the Landowner, as applicable. In addition, if the amendment relates to the accounting principles to be

followed by the District in preparing financial statements, (i) notice of such change shall be given in the same manner as for a Listed Event, 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 the above provisions of this Section 11, the District may amend this Disclosure Agreement in accordance with this Section 11 without the consent of the Landowner, provided that no amendment to the provisions of Sections 5 and 6 hereof may be made without the consent of the Landowner as long as the Landowner is an Obligated Person.

12. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer or the Landowner from disseminating any other information, using the means of dissemination set forth in this Disclosure Agreement or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a potential material event, in addition to that which is required by this Disclosure Agreement. If the Issuer or the Landowner chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by the Disclosure Agreement, the Issuer or the Landowner shall have no obligation under the Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

13. **Default.** In the event of a failure of the Issuer, the Landowner, the Disclosure Representative of the District, the Disclosure Representative of the Landowner 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 Holders of more than 50% aggregate principal amount of Outstanding Bonds and receipt of indemnity satisfactory to the Trustee, shall), or any Beneficial Owner of a Bond may take such actions as may be necessary and appropriate, including seeking mandamus or specific performance by court order, to cause the Issuer, the Landowner, the Disclosure Representative, of the District, the Disclosure Representative of the Landowner 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 Landowner, the Disclosure Representative of the District, the Disclosure Representative of the Landowner or a Dissemination Agent, to comply with the Disclosure Agreement shall be an action to compel performance.

14. **Duties of Issuer, Landowner and Dissemination Agent.** The District and the Landowner each represent and warrant that they will supply, in a timely fashion, any information reasonably requested by the Dissemination Agent that is necessary in order for the Dissemination Agent to carry out its duties under this Disclosure Agreement. The District and the Landowner each acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, the Landowner, and others. The Dissemination Agent's duties do not include authorship

or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the District, the Landowner, or others as thereafter disseminated by the Dissemination Agent. The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. Notwithstanding anything to the contrary herein, the District shall have no responsibility for any information provided by the Landowner or others in connection with the Quarterly Reports or to cause the Quarterly Reports to be provided by the Landowner.

15. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, the Dissemination Agent, the Participating Underwriter, the Trustee and Beneficial Owners, of the 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 of Florida and Federal law and venue shall be in any State or Federal Court having jurisdiction in Manatee County, Florida.

18. **Dissemination Agent's Right to Information.** The Issuer and the Landowner, respectively agree that the Dissemination Agent is a bona fide agent of the Issuer and the Landowner and may receive, on a timely basis, any information or reports it requests that the Issuer and the Landowner are required to provide hereunder.

19. **Binding Effect.** This Disclosure Agreement shall be binding upon each party and upon each successor and assignee of each party and shall inure to the benefit of and be enforceable by, each party and each successor and assignee of each party.

**SIGNATURE PAGE FOR
CONTINUING DISCLOSURE AGREEMENT
(Lakewood Ranch Stewardship District)**

IN WITNESS WHEREOF, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**LAKWOOD RANCH STEWARDSHIP
DISTRICT**

ATTEST:

Secretary

**CONSENTED TO AND AGREED TO BY:
PFM GROUP CONSULTING, LLC, as
Disclosure Representative**

By: _____
Title: Authorized Officer

By: _____
Chair, Board of Supervisors

SMR NORTHEAST, LLC, a Florida limited liability company
By its sole member
**SCHROEDER – MANATEE RANCH,
INC.,**
a Delaware corporation

By: _____
Name: _____
Title: _____

Acknowledged and agreed to for purposes of Section 13 only:

U.S. BANK NATIONAL ASSOCIATION,
as Trustee

By: _____
Title: Vice President

PFM GROUP CONSULTING, LLC, as
Dissemination Agent

By: _____
Title: Authorized Officer

EXHIBIT A

NOTICE TO REPOSITORIES OF FAILURE TO FILE [ANNUAL][QUARTERLY] REPORT

Name of Issuer: Lakewood Ranch Stewardship District

Obligated Person(s): Lakewood Ranch Stewardship District
SMR Northeast, LLC ("Landowner")

Name of Bond Issue: \$_____ Lakewood Ranch Stewardship District Special
Assessment Revenue Bonds, Series 2020 (Northeast Sector Project –
Phase 2B)

Date of Issuance: _____, 2020

NOTICE IS HEREBY GIVEN that the [District][Landowner] has not provided an [Annual][Quarterly] Report with respect to the above-named Bonds as required by [Section 4][Section 6] of the Continuing Disclosure Agreement dated _____, 2020, among the District, the Landowner, the Dissemination Agent and the Trustee named therein. The [District][Landowner] has advised the undersigned that it anticipates that the [Annual Report][Quarterly] will be filed by _____, 20____.

Dated: _____

_____, as Dissemination Agent, on
behalf of the Issuer

cc: Issuer
Obligated Person(s)

LAKWOOD RANCH STEWARDSHIP DISTRICT

Other Matters

(provided under separate cover)

LAKWOOD RANCH STEWARDSHIP DISTRICT

Sun State Landscape Management, Inc.
Landscape and Irrigation Maintenance Services
(Lorraine Rd. South Extension)

**AGREEMENT FOR LANDSCAPE AND IRRIGATION MAINTENANCE SERVICES
BETWEEN LAKEWOOD RANCH STEWARDSHIP DISTRICT AND
SUN STATE LANDSCAPE MANAGEMENT, INC.**

THIS AGREEMENT (the "Agreement") is made and entered into this 1st day of October 2020, by and between:

Lakewood Ranch Stewardship District, a local unit of special-purpose government located in Sarasota and Manatee Counties, Florida, and whose mailing address is 12051 Corporate Boulevard, Orlando, Florida 32817 (the "District"); and

Sun State Landscape Management
8920 Erie Lane, Parrish, Florida, 34219

RECITALS

WHEREAS, the District was established pursuant to Chapter 2005-338, *Laws of Florida*, as amended, for the purpose of planning, financing, constructing, operating and/or maintaining certain infrastructure improvements, including but not limited to, landscaping and irrigation improvements; and

WHEREAS, the District desires to retain an independent contractor to provide landscape and irrigation maintenance services to Lorraine Road South within an area of District known as the Sarasota Sector, the scope of which is as more particularly described in the attached **Exhibit A**, which is incorporated herein by this reference (the "Services"); and

WHEREAS, Contractor represents that it is qualified, willing and able to provide landscape and irrigation maintenance services and desires to provide such services to the District; and

WHEREAS, the District and Contractor warrant and agree that they have all right, power and authority to enter into and be bound by this Agreement.

NOW, THEREFORE, in consideration of the recitals, agreements, and mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

SECTION 1. RECITALS. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement.

SECTION 2. DESCRIPTION OF WORK AND SERVICES.

A. The duties, obligations, and responsibilities of the Contractor are to provide the services, labor and materials necessary for the provision of landscape and irrigation maintenance services within the District as described herein and in **Exhibit A**. Such lands on which Services shall be provided are as more particularly described and

shown on **Composite Exhibit B**, attached hereto and incorporated herein by reference.

- B.** This Agreement grants to Contractor the right to enter the lands that are subject to this Agreement, for those purposes described in this Agreement, and Contractor hereby agrees to comply with all applicable laws, rules, ordinances and regulations affecting the provision of the Services.
- C.** Contractor shall be solely responsible for the means, manner and methods by which its duties, obligations and responsibilities are met to the satisfaction of the District and in accordance with this Agreement. Contractor shall use industry best practices and procedures when carrying out the Services.
- D.** Pesticide applications shall be made by an individual licensed to perform pest control services in accordance with Chapter 487.011, *Florida Statutes*. Contractor shall provide proof of such licensure and certification to the District prior to commencement of the Services.
- E.** The Contractor shall report directly to the District's Maintenance Manager who shall be Garrett Hardy. Contractor acknowledges and agrees that the District has the right to request that Contractor's employees and/or subcontractors who do not behave in a professional manner, in the District's sole determination, be removed from the Contractor's landscape maintenance team(s) providing the Services to the District.
- F.** Contractor shall use all due care to protect the property of the District, its residents and landowners from damage and shall follow and be responsible for the Services set forth in **Exhibit A** on the property as provided in **Composite Exhibit B**. Contractor agrees to repair any damage resulting from Contractor's activities and work within twenty-four (24) hours. This includes, but is not limited to, damage caused by Contractor to irrigation heads and lines, landscape, grasses or any other District or landowner properties or improvements.
- G.** In the event that the District notifies the Contractor that any of the Services performed by the Contractor pursuant to this Agreement are deemed to be inconsistent with the scope of services set forth in **Exhibit A**, Contractor shall have two (2) business days to correct minor deficiencies, and up to fifteen (15) business days, or another mutually agreed upon timeframe, to correct non-minor deficiencies. As it would be difficult to ascertain the exact amount of damages incurred by the District as a result of the Contractor's failure to perform in accordance with the terms of the Agreement, in the event that the Contractor fails to timely remedy the deficiency(ies) as set forth herein, the District is entitled to reduce the current monthly payment to the Contractor by fifteen (15%) percent per day, as liquidated damages for non-performance (but not as a penalty), until such deficiencies are remedied.
- H.** In the event that time is lost due to heavy rains ("Rain Days"), the Contractor agrees to reschedule its employees and divide their time accordingly to complete all

scheduled services during the time during the same week as any Rain Days. The Contractor shall provide services on Saturdays if needed to make up Rain Days, but shall not provide services on Sundays.

SECTION 3. COMPENSATION; TERM.

- A.** As compensation for the completion of the Services, the District agrees to pay the Contractor Seventy-Nine Thousand Thirty-Four Dollars (\$79,034.00) per year, which amount includes all tools, labor and materials necessary to complete the Services. The term of this Agreement shall be from October 1st, 2020 through September 30th, 2021 unless terminated earlier in accordance with the terms of this Agreement or renewed for optional one (1) year renewals at the option of the parties hereto at the same price and terms as provided for herein.
- B.** If the District should desire additional work or services not provided in **Exhibit A**, or to add additional lands to be maintained not contained in **Composite Exhibit B**, the Contractor agrees to negotiate in good faith to undertake such additional work or services. Upon successful negotiations, the parties shall agree in writing to a work order, addendum, addenda, or change order to this Agreement as set forth in Section 4.
- C.** The District may require, as a condition precedent to making any payment to the Contractor that all subcontractors, material men, suppliers or laborers be paid and require evidence, in the form of Lien Releases or partial Waivers of Lien, to be submitted to the District by those subcontractors, material men, suppliers or laborers, and further require that the Contractor provide an Affidavit relating to the payment of said indebtedness. Further, the District shall have the right to require, as a condition precedent to making any payment, evidence from the Contractor, in a form satisfactory to the District, that any indebtedness of the Contractor, as to services to the District, has been paid and that the Contractor has met all of the obligations with regard to the withholding and payment of taxes, Social Security payments, Workmen's Compensation, Unemployment Compensation contributions, and similar payroll deductions from the wages of employees.
- D.** The Contractor shall maintain records conforming to usual accounting practices. Further, the Contractor agrees to render an invoice to the District, in writing, which shall be delivered or mailed to the District by the fifth (5th) day of the next succeeding month. This invoice is due and payable within forty-five (45) days of receipt by the District, or in accordance with Florida's Prompt Payment Act, whichever is sooner. The invoice shall include such supporting information as the District may reasonably require the Contractor to provide.

SECTION 4. CHANGE ORDERS. Contractor understands that the Services may be reduced, expanded or otherwise modified in scope. If any additional Services are proposed beyond those identified in this Agreement, Contractor shall perform them but only after receiving a written change order from the District. Contractor shall cooperate with and assist the District in

preparing and determining the scope of any change order. In the event the modification in services reflects a change to the scope of work as contained in Composite Exhibit B, Contractor's compensation shall be adjusted for the added or deducted scope proposed by the change order in accordance with the unit prices established in the Agreement as set forth in **Exhibit C**. In the event the service is not represented by a lump sum or unit price set forth in this Agreement, Contractor's compensation shall be adjusted for the added or deducted services proposed by the change order as reasonably determined by the District in conference with the Contractor. All change orders shall be in the form attached hereto as **Exhibit D**.

SECTION 5. WARRANTY AND COVENANT. The Contractor warrants to the District that all materials furnished under this Agreement shall be new, and that all services and materials shall be of good quality, free from faults and defects. The Contractor hereby warrants any materials and Services for a period of one (1) year after acceptance by the District or longer as required under Florida law. With respect to any and all plant material provided pursuant to Section 2, all plant material shall be guaranteed to be in a satisfactory growing condition and to live for a period of one (1) year from planting except for annuals, which will be replaced seasonally. All plants that fail to survive under the guarantee shall be replaced as they fail with the same type and size as originally specified. Contractor further warrants to the District those warranties which Contractor otherwise warrants to others and the duration of such warranties is as provided by Florida law unless longer guarantees or warranties are provided for elsewhere in the Agreement (in which case the longer periods of time shall prevail). Contractor shall replace or repair warranted items to the District's satisfaction and in the District's discretion. Neither final acceptance of the Services, nor monthly or final payment therefore, nor any provision of the Agreement shall relieve Contractor of responsibility for defective or deficient materials or Services. If any of the Services or materials are found to be defective, deficient or not in accordance with the Agreement, Contractor shall correct remove and replace it promptly after receipt of a written notice from the District and correct and pay for any other damage resulting there from to District property or the property of landowners within the District. Contractor hereby certifies it is receiving the property in its as-is condition and has thoroughly inspected the property and addressed any present deficiencies, if any, with the District. Contractor shall be responsible for maintaining and warranting all plant material maintained by Contractor as of the first date of Services.

Contractor hereby covenants to the District that it shall perform the Services: (i) using its best skill and judgment and in accordance with generally accepted professional standards and (ii) in compliance with all applicable federal, state, county, municipal, building and zoning, land use, environmental, public safety, non-discrimination and disability accessibility laws, codes, ordinances, rules and regulations, including, without limitation, all professional registration (both corporate and individual) for all required basic disciplines that it shall perform. Contractor hereby covenants to the District that any work product of the Contractor shall not call for the use nor infringe any patent, trademark, services mark, copyright or other proprietary interest claimed or held by any person or business entity absent prior written consent from the District.

SECTION 6 INSURANCE. Contractor shall, at its own expense, maintain insurance during the performance of its Services under this Agreement, with limits of liability not less than the following:

Workers Compensation	statutory
General Liability	
<i>Bodily Injury (including contractual)</i>	\$1,000,000/\$2,000,000
<i>Property Damage (including contractual)</i>	\$1,000,000/\$2,000,000
Automobile Liability (if applicable)	
<i>Bodily Injury and Property Damage</i>	\$1,000,000

Contractor shall provide the District with a certificate naming the District, its officers, agents and employees as an additional insured prior to the commencement of the Services. At no time shall Contractor be without insurance in the above amounts. No policy may be canceled during the term of this Agreement without at least thirty (30) days written notice to the District. An insurance certificate evidencing compliance with this section shall be sent to the District prior to the commencement of any performance under this Agreement.

SECTION 7. INDEPENDENT CONTRACTOR. It is understood and agreed that at all times the relationship of Contractor and its employees, agents, subcontractors or anyone directly or indirectly employed by Contractor to the District is the relationship of an independent contractor and not that of an employee, agent, joint venturer or partner of the District. Nothing in this Agreement shall be interpreted or construed as creating or establishing the relationship of employer and employee between the District and Contractor or any of its employees, agents, subcontractors or anyone directly or indirectly employed by Contractor. The parties acknowledge that Contractor is not an employee for state or federal tax purposes. Contractor shall hire and pay all of Contractor's employees, agents, subcontractors or anyone directly or indirectly employed by Contractor, all of whom shall be employees of Contractor and not employees of District and at all times entirely under Contractor's supervision, direction and control.

In particular, District will not: i) Withhold FICA (Social Security) from Contractor's payments; ii) Make state or federal unemployment insurance contributions on Contractor's behalf; iii) Withhold state or federal income tax from payment to Contractor; iv) Make disability insurance contributions on behalf of Contractor; or v) Obtain workers' compensation insurance on behalf of Contractor. Moreover, Contractor shall provide the District with a completed IRS W-9 form prior to the commencement of the Services.

SECTION 8. COMPLIANCE WITH LAWS, ORDINANCES AND REGULATIONS. In performing its obligations under this Agreement, Contractor and each of its employees, agents, subcontractors or anyone directly or indirectly employed by Contractor shall comply with all applicable laws, ordinances, rules, regulations, and orders of any public or governmental authority having appropriate jurisdiction, including all laws, regulations and rules relating to immigration and/or the status of foreign workers. Contractor shall initiate, maintain, and supervise all safety precautions and programs in connection with its obligations herein. Contractor shall ensure that all of Contractor's employees, agents, subcontractors or anyone directly or indirectly employed by Contractor observe Contractor's rules and regulations of safety and conduct. Contractor shall take all reasonable precautions for the safety of and shall provide all reasonable protection to prevent damage, injury or loss to all of its employees, agents and subcontractors performing its obligations herein and other persons who may be affected, and

any material, equipment and other property. Contractor shall remedy all damage or loss to any property caused in whole or in part by Contractor, its employees, agents, subcontractors or anyone directly or indirectly employed by Contractor, or by anyone for whose acts Contractor may be liable. Contractor shall indemnify District for all damage or losses it may incur or be exposed to because of Contractor or any of its employees, agents, subcontractors or anyone directly or indirectly employed by Contractor's failure to comply with the provisions contained herein.

SECTION 9. DEFAULT AND PROTECTION AGAINST THIRD PARTY INTERFERENCE. A default by either party under this Agreement shall entitle the other to all remedies available at law or in equity, which may include, but not be limited to, the right of actual damages and/or specific performance. The District shall be solely responsible for enforcing its rights under this Agreement against any interfering third party. Nothing contained in this Agreement shall limit or impair the District's right to protect its rights from interference by a third party to this Agreement.

SECTION 10. ENFORCEMENT OF AGREEMENT. In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the parties agree that the prevailing party shall be entitled to recover from the other all fees and costs incurred, including reasonable attorney's fees and costs for trial, alternative dispute resolution, or appellate proceedings.

SECTION 11. AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing which is executed by both the District and the Contractor.

SECTION 12. AUTHORIZATION. The execution of this Agreement has been duly authorized by the appropriate body or official of the District and the Contractor, both the District and the Contractor have complied with all the requirements of law, and both the District and the Contractor have full power and authority to comply with the terms and provisions of this instrument.

SECTION 13. NOTICES. All notices, requests, consents and other communications under this Agreement ("Notices") shall be in writing and shall be delivered, mailed by First Class Mail, postage prepaid, or overnight delivery service, to the parties, as follows:

A. If to Contractor: Sun State Landscape Management, Inc.
8920 Erie Lane
Parrish, FL 34219
Attn: Randal Hand

B. If to District: Lakewood Ranch Stewardship District
12051 Corporate Boulevard
Orlando, Florida 32817
Attn: District Manager

With a copy to:

Hopping Green & Sams, P.A.
119 South Monroe Street, Suite 300
Post Office Box 6526
Tallahassee, Florida 32314
Attn: Jonathan T. Johnson

With a copy to:

Lakewood Ranch Stewardship District Operations
14400 Covenant Way
Lakewood Ranch, FL 34202
Attn: Operations Manager

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth above. Notices delivered after 5:00 p.m. (at the place of delivery) or on a non-business day, shall be deemed received on the next business day. If any time for giving Notice contained in this Agreement would otherwise expire on a non-business day, the Notice period shall be extended to the next succeeding business day. Saturdays, Sundays, and legal holidays recognized by the United States government shall not be regarded as business days. Counsel for the District and counsel for the Contractor may deliver Notice on behalf of the District and the Contractor. Any party or other person to whom Notices are to be sent or copied may notify the other parties and addressees of any change in name or address to which Notices shall be sent by providing the same on five (5) days written notice to the parties and addressees set forth herein.

SECTION 14. ARM'S LENGTH TRANSACTION. This Agreement has been negotiated fully between the District and the Contractor as an arm's length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen, and selected the language, and the doubtful language will not be interpreted or construed against either the District or the Contractor.

SECTION 15. THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of the District and the Contractor and no right or cause of action shall accrue upon or by reason, to or for the benefit of any third party not a formal party to this Agreement. Nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person or corporation other than the District and the Contractor any right, remedy, or claim under or by reason of this Agreement or any of the provisions or conditions of this Agreement; and all of the provisions, representations, covenants, and conditions contained in this Agreement shall inure to the sole benefit of and shall be binding upon the District and the Contractor and their respective representatives, successors, and assigns.

SECTION 16. ASSIGNMENT. Neither the District nor the Contractor may assign this Agreement or any monies to become due hereunder without the prior written approval of the other.

SECTION 17. APPLICABLE LAW AND VENUE. This Agreement and the provisions contained herein shall be construed, interpreted and controlled according to the laws of the State of Florida. Each party consents that the venue for any litigation arising out of or related to this Agreement shall be in Manatee County, Florida.

SECTION 18. INDEMNIFICATION.

- A. Contractor, its employees, agents and subcontractors shall defend, hold harmless and indemnify the District and its supervisors, officers, staff, employees, representatives and agents against any claims, damages, liabilities, losses and costs, including, but not limited to, reasonable attorneys' fees, to the extent caused by the acts or omissions of Contractor, and other persons employed or utilized by Contractor in the performance of this Agreement or the Services performed hereunder up to the amount of One Million Dollars (\$1,000,000.00). By executing this Agreement, Contractor agrees such indemnification amount bears a reasonable commercial relationship to the Agreement.
- B. Obligations under this section shall include the payment of all settlements, judgments, damages, liquidated damages, penalties, forfeitures, back pay awards, court costs, arbitration and/or mediation costs, litigation expenses, attorney fees, paralegal fees and expert witness fees (incurred in court, out of court, on appeal, or in bankruptcy proceedings) as ordered.

SECTION 19. LIMITATIONS ON GOVERNMENTAL LIABILITY. Nothing in this Agreement shall be deemed as a waiver of immunity or limits of liability of the District beyond any statutory limited waiver of immunity or limits of liability which may have been adopted by the Florida Legislature in Section 768.28, *Florida Statutes*, or other statute, and nothing in this Agreement shall inure to the benefit of any third party for the purpose of allowing any claim which would otherwise be barred under the Doctrine of Sovereign Immunity or by operation of law.

SECTION 20. TERMINATION. The District agrees that the Contractor may terminate this Agreement for cause by providing thirty (30) days written notice of termination to the District; provided, however, that the District shall be provided a reasonable opportunity to cure any failure under this Agreement. The Contractor agrees that the District may terminate this Agreement immediately for cause by providing written notice of termination to the Contractor. The District shall provide thirty (30) days written notice of termination without cause. Upon any termination of this Agreement, the Contractor shall be entitled to payment for all Services rendered up until the effective termination of this Agreement, subject to whatever claims or offsets the District may have against the Contractor as the sole means of recovery for termination.

SECTION 21. OWNERSHIP OF DOCUMENTS. All rights in and title to all plans, drawings, specifications, ideas, concepts, designs, sketches, models, programs, software, creation, inventions, reports, or other tangible work product originally developed by Contractor pursuant to this Agreement shall be and remain the sole and exclusive property of the District when developed and shall be considered work for hire.

SECTION 22. PUBLIC RECORDS. Contractor understands and agrees that all documents of any kind provided to the District in connection with this Agreement may be public records, and, accordingly, Contractor agrees to comply with all applicable provisions of Florida law in handling such records, including but not limited to Section 119.0701, *Florida Statutes*. Contractor acknowledges that the designated public records custodian for the District is Jane Gaarlandt (“Public Records Custodian”). Among other requirements and to the extent applicable by law, the Contractor shall 1) keep and maintain public records required by the District to perform the service; 2) upon request by the Public Records Custodian, provide the District with the requested public records or allow the records to be inspected or copied within a reasonable time period at a cost that does not exceed the cost provided in Chapter 119, *Florida Statutes*; 3) ensure that public records which are exempt or confidential, and exempt from public records disclosure requirements, are not disclosed except as authorized by law for the duration of the contract term and following the contract term if the Contractor does not transfer the records to the Public Records Custodian of the District; and 4) upon completion of the contract, transfer to the District, at no cost, all public records in Contractor’s possession or, alternatively, keep, maintain and meet all applicable requirements for retaining public records pursuant to Florida laws. When such public records are transferred by the Contractor, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. All records stored electronically must be provided to the District in a format that is compatible with Microsoft Word or Adobe PDF formats.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR’S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT (407) 723-5900, MARTINEZV@PFM.COM, OR AT 12051 CORPORATE BOULEVARD, ORLANDO, FLORIDA 32817.

SECTION 23. SEVERABILITY. The invalidity or unenforceability of any one or more provisions of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement, or any part of this Agreement not held to be invalid or unenforceable.

SECTION 24. HEADINGS FOR CONVENIENCE ONLY. The descriptive headings in this Agreement are for convenience only and shall not control nor affect the meaning or construction of any of the provisions of this Agreement.

SECTION 25. ENTIRE AGREEMENT. This instrument shall constitute the final and complete expression of the agreement between the parties relating to the subject matter of this Agreement.

[Signatures on Next Page]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first written above.

Attest:

Lakewood Ranch Stewardship District

Secretary

Chairman/Vice Chairman, Board of Supervisors

Witness:

Sun State Landscape Management, Inc.

Signature of Witness

By: _____

Print Name

Print Name: _____

Title: _____

Exhibit A:

Description of Services

Composite Exhibit B:

Landscape Maintenance Scope Maps

Exhibit C:

Unit Pricing Scope Sheet

Exhibit D:

Form of Change Order

EXHIBIT A

Description of Services

Maintenance Specifications**I. Turf Maintenance**

- A. **Mechanical:** St. Augustine and Zoysia turfgrass shall be mowed weekly during the months of April through October and bi-weekly during the months of November through March; a minimum of 40 times per year. Bahia turfgrass shall be mowed according to seasonal needs and at frequencies necessary to sustain vigor and other desired conditions; a minimum of 25 times per year. All turf shall be maintained with rotary mower. Mower blades shall be sharp at all times to provide a quality cut. Mowing heights shall be 4" for Bahia, 3-3.5" for St. Augustine and 2-2.5" for Zoysia. Mulched areas and bodies of water must not be contaminated with turf clippings. If this occurs, the clippings must be removed.

All edging shall be accomplished using a metal blade edger. Sidewalks, curbs, pavement and other hard surfaces bordered by turf shall be edged at each mowing event. Landscaped beds and tree rings shall be edged at frequencies necessary to preserve a clean, defined appearance and to maintain shape and size.

Line trimmers shall be used at each mowing event to preserve a uniform turf appearance around fences, irrigation valve boxes and any other area not accessible to mowers. Turf around sprinkler heads will be mechanically removed so as to not interfere with or intercept water output.

All areas shall be kept free of debris and litter at all times.

- B. **Fertilization:** Turf shall be fertilized at intervals necessary to promote and sustain desired conditions. Complete fertilizers shall be granular in composition and contain 30% to 50% or more of the nitrogen in a slow or controlled-release form. While nitrogen fertilization is based on the desired growth rate and type of turf grass being grown, the phosphorus fertilization rate should be based on the analysis of a turf soil sample and the recommendations obtained from it. The fertilizer shall also contain magnesium and micro-nutrients (i.e. manganese, iron, zinc, copper, etc.) Iron shall be in the sulfate, sucrate or chelated form. Fertilizer will be blown or swept off of sidewalks and other paved surfaces. Specific fertilizer formulation shall vary depending on type of turfgrass and based on soil analysis provided by Contractor. Fertilizer applications shall comply with all applicable laws and regulations, including local ordinances imposing seasonal restrictions.

- C. **Pest Control:** Turf shall be inspected at each visit for indications of problems and methods of Integrated Pest Management (IPM) shall be utilized to prevent or mitigate damage caused by insects and disease.

Pesticide applications will be made by in accordance with the laws and regulations governing use of pesticides in Florida.

II. Accent Trees, Palms, Shrubs, Ground Covers Maintenance

- A. **Mechanical/Manual:** **ALL PRUNING TOOLS MUST BE CLEANED PRIOR TO USE ON STEWARDSHIP DISTRICT PROPERTIES.** Shrubs and ornamental trees will be pruned as specified by District and to provide the desired shape, fullness and blooms. Pruning shall include removal of dead or diseased shrubs and ground covers. Pruning of palms under 12' in height C.T. will be done as necessary to remove brown fronds, seed heads and hanging boots and any time they appear to maintain the palms looking their best. No pruning will be done during or immediately following growth flushes, branches will be pruned just outside the branch collar. Sucker growth will be removed by hand from the base of trees. No herbicides will be used for this purpose. Pruning of canopy trees shall be undertaken as necessary to maintain a minimum of 8' clearance of the canopy as measured

EXHIBIT A

from the ground. Contractor will remove and dispose of all biomass generated by pruning activities.

- B. Fertilization:** Shrubs, trees and ground covers shall be fertilized three times per year. Two of the annual applications are normally scheduled around February and October. A third application can be made during the summer. Rate will be 1 pound of nitrogen per 1,000 square feet per application.

Mature palms in the landscape shall be fertilized four times per year at the rate of 5 to 8 lbs. each application. Palms under 8 feet tall will receive 2-5 lbs. per application four times per year.

Fertilizers should contain equal amounts of nitrogen and potassium and 30% or more of both elements should be available in slow-release form. The fertilizer should also contain magnesium and a complete micronutrient amendment. The fertilizer analysis shall be similar to 8-2-8, 15-5-15, 14-3-14, 12-2-14, etc.

Established shrubs and trees in turf areas exposed to turf fertilizations will be fertilized on an as-needed basis to ensure plants maintain a healthy look. Fertilizer applied to shrubs and trees planted in beds shall be broadcasted over the entire plant bed. Nutrient deficiencies shall be treated with supplemental applications of the specific lacking nutrient according to University of Florida Cooperative Extension recommendations.

The specifications above shall be modified as necessary to comply with applicable laws and regulations.

- C. Pest and Weed Control:** Contractor shall practice Integrated Pest Management (IPM) in compliance with applicable laws and regulations to control insects, diseases and weeds on and around perennials, ground covers, shrubs, vines and trees. This will include frequent monitoring and spot treatment as necessary using the least toxic methods. All applications will be performed when temperatures are below 90 degrees F and when wind drift is negligible. First choice will be insecticidal soaps, horticultural oils and biological controls such as *Bacillus thuringiensis* (*Br*). Weeds in beds or mulched areas will usually be removed mechanically or be hand. Herbicides will be employed for heavy weed infestations.

III. Annuals Maintenance

- A. Annual Flowers:** Replacement of existing annuals will be done 4 times per year at a per-plant cost not included within the Agreement price. Renovation of annual beds with soil amendments shall be accomplished once per year in early March at no additional cost.

Replacement of dead or injured plants due to pests or Contractor negligence will be done without cost to District. Annuals and perennial bedding plants shall be fertilized at installation with time-release fertilizer. Supplemental fertilization with liquid 20-20-20 or comparable shall also be applied as necessary to promote color and vigor. Hand-pulled weed control will be performed during every maintenance service to ensure all areas are maintained weed-free. No herbicides are to be used on or near the annual beds.

Edging and trimming along the beds will be done to maintain the original straight line or smooth curve.

IV. Irrigation Systems Maintenance

A. **Irrigation Systems:** Contractor shall inspect and test all components of the irrigation system for functionality on a routine monthly schedule. The monthly test shall include:

- Verifying functionality of decoders and solenoid valves from the controller
- Ensuring proper coverage of rotor and spray heads and maxi-jet emitters to maximize effectiveness and minimize over spray upon roads, sidewalks, etc.
- Replacement of clogged emitters and spray nozzles
- Identifying breaks or leaks in lateral lines
- Clearing turfgrass, etc. from valve and control boxes
- Identifying broken, non-functioning or missing rotors, spray heads and maxi jets
- Verify functionality of rain sensors, soil moisture sensors and other automatic shut-off devices

Contractor shall take appropriate action as necessary to maintain the irrigation systems in accordance with the above; compensable at a time and materials basis. Repairs due to damage caused by Contractor's maintenance activities will be made by Contractor at no expense to District.

Contractor shall be responsible for controller programming including seasonal adjustments, specific need adjustments, accommodating new plant material and otherwise as necessary to ensure adequate irrigation is applied.

B. **Central Control:** Contractor must communicate all changes made to controller programming, for approval & to prevent them from being deleted by periodic synchronization.

V. Optional Services

A. **Thatch Control:** Thatch removal is not included the basic contract charges. Removal of thatch (a spongy build-up of dead and living grass shoots, stems and roots) should be considered when thatch thickness exceeds one inch. The best time for thatch removal is March through August when the turf is rapidly growing. Verti-cutting, using a vertical mower is the recommended method of mechanically removing thatch from Zoysia lawns. Blade spacing shall be 1-2" for Zoysia grass.

B. **Mulching:** Re-mulching of planting beds shall be by the request of District and charged separately.

C. **Palm and Canopy Tree Pruning:** Pruning of palm trees in excess of 12' C.T. shall be by the request of the District and charged separately. Structural pruning of canopy trees shall be by the request of District and be performed by an ISA Certified Arborist.

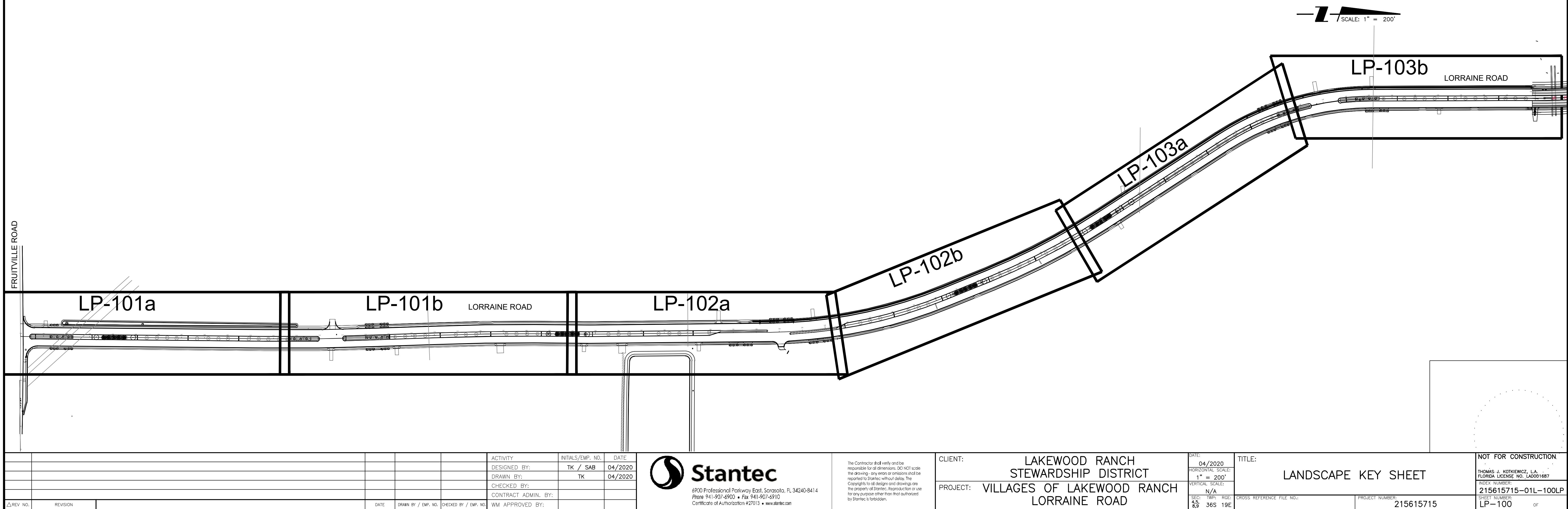
D. **Other Services:** Other compensable services outside of the Agreement Scope including, but not limited to:

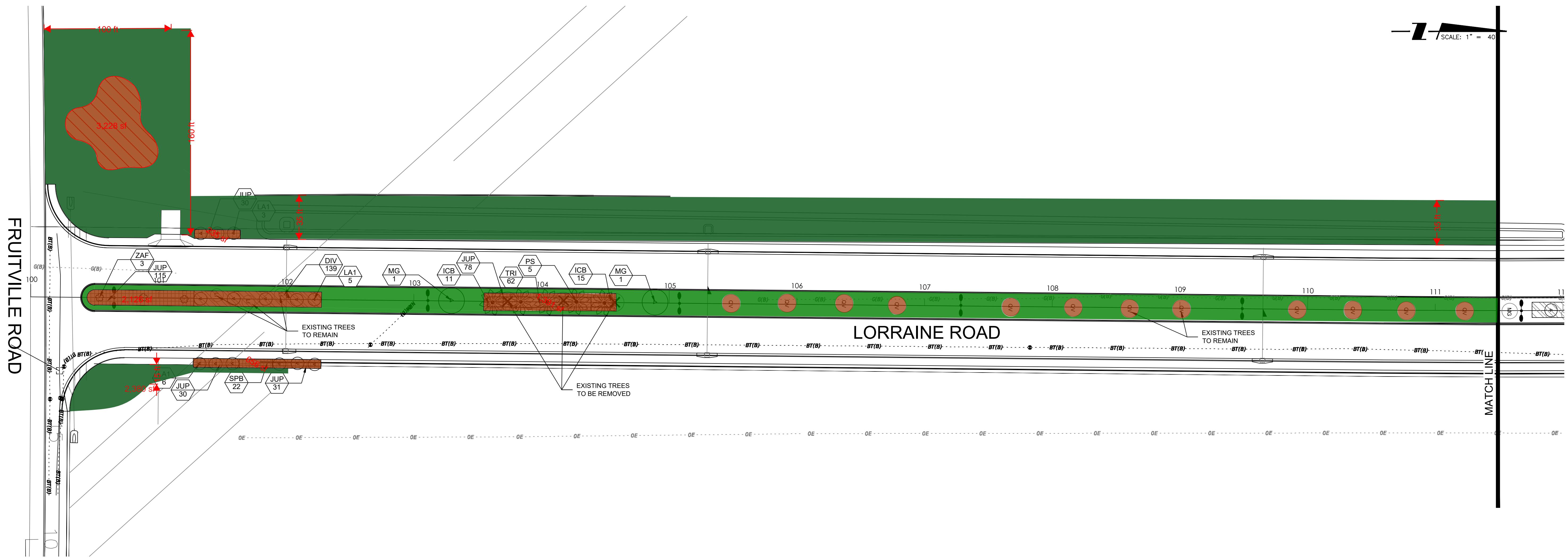
- Major clean-up due to storms, vandalism or otherwise
- Hand watering
- Fire Ant control

Lorraine Rd. South (Extension)

COMPOSITE EXHIBIT B

Landscape Maintenance Scope Maps

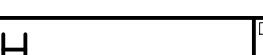




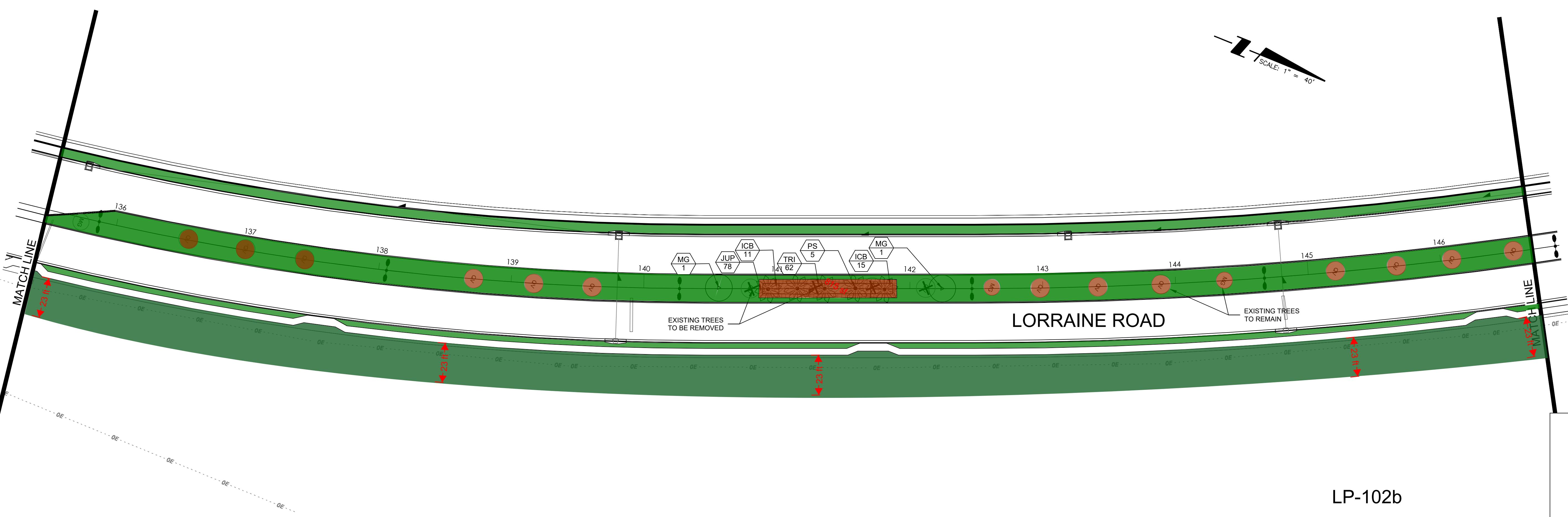
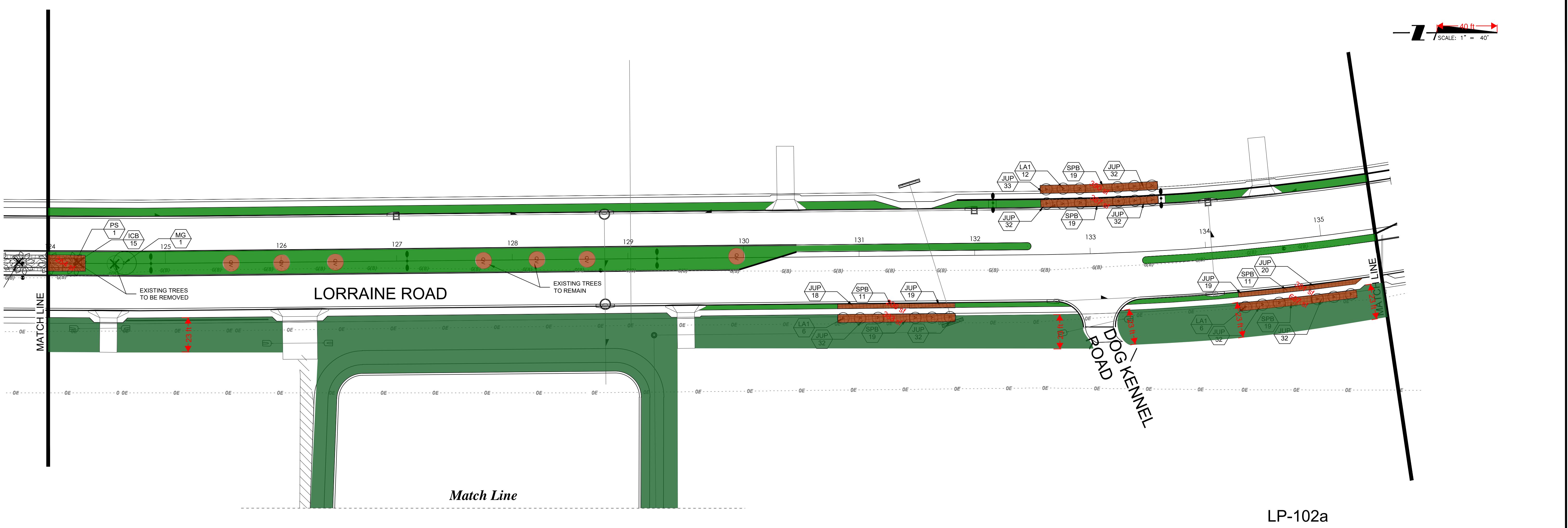
LP-101a



LP-101b

				ACTIVITY	INITIALS/EMP. NO.	DATE	 Stantec 6900 Professional Parkway East, Sarasota, FL 34240-8414 Phone 941-907-6900 • Fax 941-907-6910 Certificate of Authorization #27013 • www.stantec.com	LAKEWOOD RANCH STEWARDSHIP DISTRICT The Contractor shall verify and be responsible for all dimensions. DO NOT scale the drawing - any errors or omissions shall be reported to Stantec without delay. The Copyrights to all designs and drawings are the property of Stantec. Reproduction or use for any purpose other than that authorized by Stantec is forbidden.	LANDSCAPE PLAN VILLAGES OF LAKEWOOD RANCH LORRAINE ROAD	NOT FOR CONSTRUCTION.	
			DESIGNED BY:	TK / SAB	04/2020	CLIENT:				TITLE:	INDEX NUMBER:
			DRAWN BY:	TK	04/2020						215615715-01L-100LP
			CHECKED BY:			VERTICAL SCALE:					SHEET NUMBER:
			CONTRACT ADMIN. BY:			N/A					LP-101
△REV NO.	REVISION	DATE	DRAWN BY / EMP. NO.	CHECKED BY / EMP. NO.	WM APPROVED BY:	SEC: 4,5 8,9 36S 19E	CROSS REFERENCE FILE NO.:	PROJECT NUMBER:	OF		

SCALE: 1" = 40'



ACTIVITY	INITIALS/EMP. NO.	DATE	CLIENT:	TITLE:	NOT FOR CONSTRUCTION
DESIGNED BY:	TK / SAB	04/2020	LAKWOOD RANCH STEWARDSHIP DISTRICT	DATE: 04/2020	THOMAS J. KOTKIEWICZ, LA., FLORIDA LICENSE NO. LA0001687
DRAWN BY:	TK	04/2020	HORIZONTAL SCALE: 1" = 40'	VERTICAL SCALE: N/A	INDEX NUMBER: 215615715-01L-100LP
CHECKED BY:			PROJECT: VILLAGES OF LAKWOOD RANCH	SEC. TWP. RGE:	CROSS REFERENCE FILE NO.: 4.5, 8.9, 365, 19E
CONTRACT ADMIN. BY:			LORRAINE ROAD	REVISION:	PROJECT NUMBER: 215615715
WM APPROVED BY:					SHEET NUMBER: LP-102 OF
REV. NO.	REVISION	DATE	DRAWN BY / EMP. NO.	CHECKED BY / EMP. NO.	WM APPROVED BY:

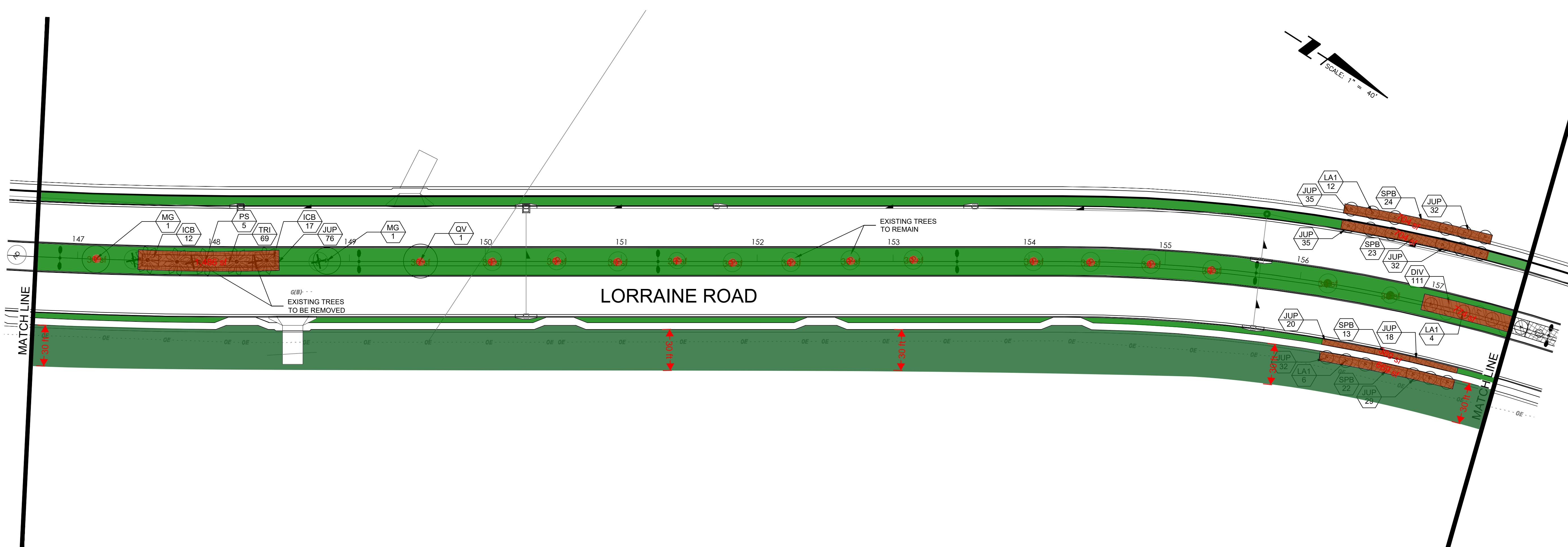


6900 Professional Parkway, East, Scripps Ranch, FL 32420-8414
Phone 941-907-4900 • Fax 941-907-8910
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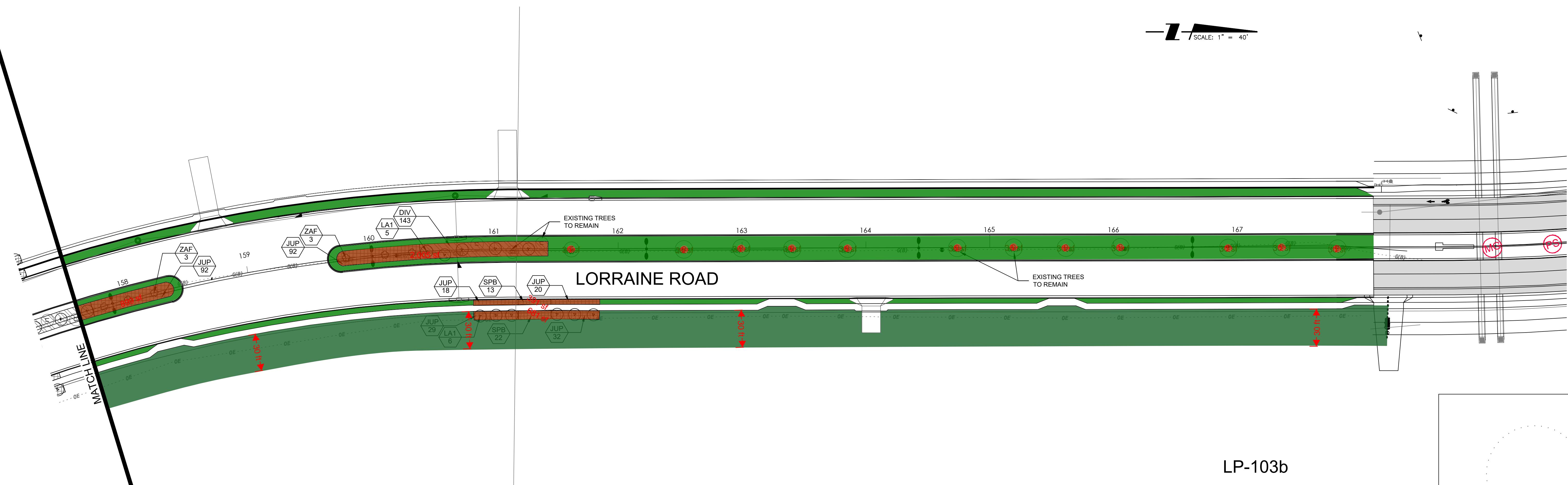
The Contractor shall verify and correct all dimensions, DO NOT scale dimensions or areas. Any errors or omissions shall be reported to Stantec without delay. The Copyrights to all designs and drawings are reserved by Stantec. Reproduction or use for any purpose other than that authorized by Stantec is forbidden.

CLIENT: LAKWOOD RANCH STEWARDSHIP DISTRICT
PROJECT: VILLAGES OF LAKWOOD RANCH
LORRAINE ROAD

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LP-103a



LP-103b

ACTIVITY	INITIALS/EMP. NO.	DATE	CLIENT:	TITLE:	NOT FOR CONSTRUCTION
DESIGNED BY:	TK / SAB	04/2020	LAKWOOD RANCH	DATE: 04/2020	THOMAS J. KOTKIEWICZ, LA.
	TK	04/2020	STEWARDSHIP DISTRICT	HORIZONTAL SCALE: 1" = 40'	FLORIDA LICENSE NO. LA0001687
CHECKED BY:			PROJECT: VILLAGES OF LAKWOOD RANCH	VERTICAL SCALE: N/A	INDEX NUMBER: 215615715-01L-100LP
CONTRACT ADMIN. BY:			LORRAINE ROAD	SEC'D. TWP: RGE: 45, 8, 9 CROSS REFERENCE FILE NO.: 365, 19E	PROJECT NUMBER: 215615715
WM APPROVED BY:					SHEET NUMBER: LP-103 OF
REV. NO.	REVISION	DATE	DRAWN BY / EMP. NO.	CHECKED BY / EMP. NO.	



6900 Professional Parkway, East, Suite 600, FL 34240-8414
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The Contractor shall verify and correct all dimensions, DO NOT scale drawings or plans. Any errors or omissions which shall be reported to Stantec without delay. The Copyrights to all designs and drawings are reserved by Stantec. Reproduction or use for any purpose other than that authorized by Stantec is forbidden.

CLIENT: LAKWOOD RANCH
STEWARDSHIP DISTRICT
PROJECT: VILLAGES OF LAKWOOD RANCH
LORRAINE ROAD

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Match Line

18,225 sf

EXHIBIT C

Unit Pricing Scope Sheet

Lakewood Ranch Stewardship District
 SRQ Sector Landscape Maintenance Scope
 'ENHANCED' Lorraine Road from Southern Boundary to Fruitville Road

Section I: Contract Scope			Unit \$	Per Month \$	Per Year\$
ImprovedTurf:	137,961	SF	\$ 0.25		\$ 34,490
Non-Improved Turf	233,889	SF	\$ 0.12		\$ 28,067
Beds/Shrubs/Ground Covers:	47,613	SF	\$ 0.33		\$ 15,712
Irrigation:	45	LS	\$ 17.00		\$ 765
Canopy Trees; 8' Clearance:	95	LS			\$ -
Accent Trees:	65	LS			\$ -
					\$ 79,034

Section II: Non-Contract Scope			Unit \$	Extension
Canopy Trees; Structural Pruning:	95	LS	\$ 100.00	\$ 9,500
Palm Tree Pruning:	20	LS	\$ 25.00	\$ 500
Annuals:	0	LS		\$ -
Re-Mulch (at 1" depth):	159	CY	\$ 45.00	\$ 7,142
Irrigation Repair:		PER HOUR	\$30.00	

EXHIBIT D

Form of Change Order

CHANGE ORDER

No.: _____

Project: _____

Date of Issuance: _____

Effective Date: _____

Owner: _____

Owner's Contract No.: _____

Contractor: _____

Engineer: _____

You are requested to make the following changes in the Contract Documents.

Description:

Reason for Change Order:

Attachments:

Change in Contract Price

Original Contract Price

\$ _____

Net changes from previous Change Orders No. ____ To No. ____
\$ _____

Contract Price prior to this Change Order

\$ _____

Net Increase (decrease) of this Change Order
\$ _____

Contract Price with all approved Change Orders

\$ _____

Change in Contract Times

Original Contract Times

Substantial Completion: _____
Ready for Final Payment: _____
days or dates

Net changes from previous Change Orders No. ____ To No. ____
_____ days

Contract Times prior to this Change Order

Substantial Completion: _____
Ready for Final Payment: _____
days or dates

Net Increase (decrease) of this Change Order
_____ days

Contract Times with all approved Change Orders

Substantial Completion: _____
Ready for Final Payment: _____
days or dates

Recommended:

Approved:

Accepted:

By: _____
Louis Lawman, Project Manager

By: _____
Owner (Authorized Signature)

By: _____
Contractor (Authorized Signature)

Date: _____

Date: _____

Date: _____

LAKWOOD RANCH STEWARDSHIP DISTRICT

Specific Authorization No. 120
Stantec



Stantec Consulting Services Inc.
6900 Professional Parkway East
Sarasota FL 34240-8414
Tel: (941) 907-6900
Fax: (941) 907-6910

September 17, 2020

Via: Hand Delivery and E-Mail

Lakewood Ranch Stewardship District
14400 Covenant Way
Lakewood Ranch, FL 34202

Attn: **Mr. Rex Jensen**
Chairman

Reference: **Specific Authorization No. 120**
Revise Bond Issue Report for Northeast Quadrant

Dear Mr. Jensen:

Enclosed is Exhibit A120 for services described above. These are services for revision of the Engineer's Report for the Bond Issue for the Northeast Quadrant project area.

Should you have any questions regarding this matter, please contact our office.

Sincerely,

Stantec Consulting Services Inc.

Michael A. Kennedy

Michael A. Kennedy, P.E.
District Engineer
Tel: (941) 907-6900
Fax: (941) 907-6910
E-Mail: mike.kennedy@stantec.com

RA Engel

Robert A. Engel, P.E.
Assistant District Engineer
Tel: (941) 907-6900
Fax: (941) 9007-6910
E-Mail: rob.engel@stantec.com

Enclosure

C: Anthony Chiofalo, Schroeder-Manatee Ranch, Inc.



Exhibit A120 to General Provisions
Attached to Agreement for Services
Between Owner and Engineer
Dated September 29, 2005

Specific Authorization No. 120
Revised Bond Issue Report for Northeast Quadrant

Further Description of Basic Engineering Services and Related Matters:

1. This is an exhibit attached to and made a part of the General Provisions attached to Agreement made on September 29, 2005, between Lakewood Ranch Stewardship District and Stantec Consulting Services Inc. (Engineer), providing for professional services. The Basic Services of Engineer as described in Section 1 of said General Provisions are amended or supplemented as indicated below.

2. Engineer shall:
 - a. Revise Engineer's Report.
 - b. Attend meetings as necessary.
 - c. Perform other services as requested by the Board.

3. Fee Summary
 - a. Engineering (T/M) \$ 3,500

* Time and Material (T/M) estimates are based upon past experience but the actual fee may be more or less due to factors outside of Stantec's control.

Unless otherwise specified, charges for SERVICES are based on Stantec's hourly billing rate table ("Rate Table"), attached hereto. The Rate Table is subject to escalation from time to time. At a minimum, effective each January 1 during the term of this Agreement, Stantec's charges for SERVICES shall escalate by either (a) the most current Consumer Price Index year over year percentage increase, not seasonally adjusted, for the preceding July, all items, as published by Statistics Canada (for Projects in Canada) plus 1.0%, or (b) the most current Consumer Price Index for All Urban Consumers (CPI-U) year over year percentage increase, not seasonally adjusted, for the preceding July, as published by the U.S. Bureau of Labor Statistics plus 1.0% (for all other projects).

Accepted this _____ day of _____, 2020.

Mr. Rex Jensen
Chairman
Lakewood Ranch Stewardship District
14400 Covenant Way
Lakewood Ranch, FL 34202



SCHEDULE OF FEES

Effective January 1, 2020

<u>Staff Level</u>	<u>Rate</u>
Level 3	\$ 98.00
Level 4	\$ 108.00
Level 5	\$ 123.00
Level 6	\$ 127.00
Level 7	\$ 132.00
Level 8	\$ 143.00
Level 9	\$ 149.00
Level 10	\$ 154.00
Level 11	\$ 165.00
Level 12	\$ 174.00
Level 13	\$ 183.00
Level 14	\$ 192.00
Level 15	\$ 204.00
Level 16	\$ 225.00
Level 17	\$ 232.00
Level 18	\$ 239.00
Level 19	\$ 248.00
Level 20	\$ 258.00
Level 21	\$ 274.00
1 Person Field Crew	\$ 95.00
2 Person Field Crew	\$ 135.00
3 Person Field Crew	\$ 155.00
4 Person Field Crew	\$ 175.00

Unit billings, such as printing and survey materials, will be billed at standard rates. All other out-of-pocket expenses will be billed at cost +10%.

LAKWOOD RANCH STEWARDSHIP DISTRICT

Change Order No. 1
Woodruff & Sons, Inc.

Change Order

No. 1

Date of Issuance: August 6, 2020 Effective Date: September 4, 2020

Project: White Eagle Blvd., Phase V	Owner: Lakewood Ranch Stewardship District	Owner's Contract No.:
Contract: \$309,533.46		Date of Contract: 11/18/2019
Contractor: Woodruff & Sons, Inc.		Engineer's Project No.: 215614256
Contractor No.: 2701		

The Contract Documents are modified as follows upon execution of this Change Order:

Description:

Revised pricing for grassing & curb items; Structure S-130A ordered and shipped not needed due to overlap of scope w/ SR-64 project; Final Reconciliation of Contract.

Attachments: (List documents supporting change):

Woodruff Proposals P001, P002 & P003 dated 4/23/2020 and 7/30/2020.

CHANGE IN CONTRACT PRICE:

Original Contract Price:

\$ 309,533.46

[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 0:

\$

Contract Price prior to this Change Order:

\$ 309,533.46

[Increase] [Decrease] of this Change Order:

\$ (82,871.96)

Contract Price incorporating this Change Order:

\$ 226,661.50

CHANGE IN CONTRACT TIMES:

Original Contract Times: Working days Calendar days

Substantial completion (days or date): 150 Days

Ready for final payment (days or date): 180 Days

[Increase] [Decrease] from previously approved Change Orders No. 0 to No. 0:

Substantial completion (days): _____

Ready for final payment (days): _____

Contract Times prior to this Change Order:

Substantial completion (days or date): 150 Days

Ready for final payment (days or date): 180 Days

[Increase] [Decrease] of this Change Order:

Substantial completion (days or date): _____

Ready for final payment (days or date): _____

Contract Times with all approved Change Orders:

Substantial completion (days or date): 150 Days

Ready for final payment (days or date): 180 Days

RECOMMENDED:

By:


Engineer (Authorized Signature)

Date: August 26, 2020

ACCEPTED:

By:


Owner (Authorized Signature)

Date: _____

ACCEPTED: **Woodruff & Sons, Inc.**

By:


Contractor (Authorized Signature)

Date: 08-12-2020

Approved by Funding Agency (if applicable): _____ Date: _____

V:\2156\active\215614256\civil\construction_phase_documents\change_orders\received\spc_white-eagle-5_co-1_82871-96_incrs-csts-grass-curb_s-103a_reconcile_woodruff-sons_ejcds_c941_20200806.docx



Woodruff & Sons, Inc.

6450 - 31st Street East, Bradenton Florida 34203 (physical)
P.O. Box 10127, Bradenton Florida 34282-0127 (mailing)
Tel # 941.756.1871 ~ Fax # 941.755.1379
www.woodruffandsons.com

Proposal

To:	Lakewood Ranch Stewardship District	Contact:	Mike Blackrick
Address:	14400 Covenant Way Lakewood Ranch, FL 34202	Tel No:	941-757-1566
		Email:	mike.blackrick@lakewoodranch.com
Project Name:	White Eagle Boulevard Phase V	Bid No:	P18-089
Project Location:	White Eagle Blvd. at SR 64	Bid Date:	Thursday, August 02, 2018

Notes:

- Prices may be withdrawn, if not accepted within 45 days as of the date of this proposal.
- This proposal require additional days ??????????????????
- This proposal includes ??????????????????????
- This proposal does not includes ??????????
- All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above this proposal.

Payment Terms: Payment due within 30 days of date of invoice, regardless of when payment is made by Owner.

<p>ACCEPTED:</p> <p>The above prices, specifications and conditions are satisfactory and hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Printed Name: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED:</p> <p>Woodruff & Sons, Inc.</p> <p>Authorized Signature: _____</p> <p style="text-align: right;">Donald P. Woodruff, President</p> <p>Estimator: Morris Hill (morrish@woodruffandsons.com)</p>
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Woodruff & Sons, Inc.

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www.woodruffandsons.com

Proposal		
OFFICIAL USE ONLY		
<input type="checkbox"/>	Job No:	2701
<input type="checkbox"/>	Control No:	P002
<input type="checkbox"/>	Log Date:	4/23/2020
<input type="checkbox"/>	Invoice No:	
<input type="checkbox"/>	Change Order	

To:	Lakewood Ranch Stewardship District	Contact:	Mike Blackrick
Address:	14400 Covenant Way Lakewood Ranch, FL 34202	Tel No:	941-757-1566
		Email:	mike.blackrick@lakewoodranch.com
Project Name:	White Eagle Boulevard Phase V	Bid No:	P18-089
Project Location:	White Eagle Blvd. at SR 64	Bid Date:	Thursday, August 02, 2018

Total Price for above Items: \$ 2,013.33
Total Bid Price: \$ 2,013.33

Notes:

- Prices may be withdrawn, if not accepted within 45 days as of the date of this proposal.
- This proposal require additional days ????????????????
- This proposal includes ????????????????????
- This proposal does not includes ???????????
- All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above this proposal.

Payment Terms: Payment due within 30 days of date of invoice, regardless of when payment is made by Owner.

<p>ACCEPTED:</p> <p>The above prices, specifications and conditions are satisfactory and hereby accepted.</p> <p>Buyer: _____</p> <p>Signature: _____</p> <p>Printed Name: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED:</p> <p>Woodruff & Sons, Inc.</p> <p>Authorized Signature: _____</p> <p>Donald P. Woodruff, President</p> <p>Estimator: Eric Epler (erice@woodruffandsons.com)</p>
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WOODRUFF & SONS, INC - WORKSHEET for EXTRAS

P.O. Box 10127, Bradenton, Florida 34282-0127 ~ T# 941.756.1871 ~ F# 941.755.1379 ~ www.woodruffandsons.com

NAME OF JOB: White Eagle Phase 5

JOB/WORK ORDER NO:

JOB LOCATION: White Eagle Blvd between Pope Road and SR64

DATE:

NATURE OF JOB: *Drainage*

REFERENCE NO:

BILL TO: A/B C# Mike Blackrick

ORDERED BY:

COMPANY: Lakewood Ranch Stewardship District

TAX LOCATION:

COMPANY: Lakewood Ranch Stewardship District
ADDRESS: 1440 Covenant Way Lakewood Ranch, FL 34202

TAX LOCATION:
TAX PERCENTAGE:



Woodruff & Sons, Inc.

6450 - 31st Street East, Bradenton Florida 34203 (physical)
P.O. Box 10127, Bradenton Florida 34282-0127 (mailing)
Tel # 941.756.1871 ~ Fax # 941.755.1379
www.woodruffandsons.com

Proposal

OFFICIAL USE ONLY	
<input type="checkbox"/> Job No:	<u>2701</u>
<input type="checkbox"/> Control No:	<u>P003</u>
<input type="checkbox"/> Log Date:	<u>7/30/2020</u>
<input type="checkbox"/> Invoice No:	
<input type="checkbox"/> Change Order	

To:	Lakewood Ranch Stewardship District	Contact:	Mike Blackrick
Address:	14400 Covenant Way Lakewood Ranch, FL 34202	Tel No:	941-757-1566
		Email:	mike.blackrick@lakewoodranch.com
Project Name:	White Eagle Boulevard Phase V	Bid No:	P18-089
Project Location:	White Eagle Blvd. at SR 64	Bid Date:	Thursday, August 2, 2018

Total Price for above Items: \$ (86,041.19)
Total Bid Price: \$ (86,041.19)

Notes: • Final Contract Reconciliation

250

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19

19

Payment Terms: Payment due within 30 days of date of invoice, regardless of when payment is made by Owner.

<p>ACCEPTED: The above prices, specifications and conditions are satisfactory and hereby accepted. Buyer: _____</p> <p>Signature: _____ Printed Name: _____</p> <p>Date of Acceptance: _____</p>	<p>CONFIRMED:</p> <p>Woodruff & Sons, Inc.</p> <p>Authorized Signature: _____ Donald P. Woodruff, President</p> <p>Estimator: Eric Epler (erice@woodruffandsons.com)</p>
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WOODRUFF & SONS, INC - WORKSHEET for EXTRAS

P.O. Box 10127, Bradenton, Florida 34282-0127 ~ T# 941.756.1871 ~ F# 941.755.1379 ~ www.woodruffandsons.com

NAME OF JOB: White Eagle Phase 5

JOB LOCATION: White Eagle Blvd between Pope Road and SR64

NATURE OF JOB: *Drainage*

JOB/WORK ORDER NO: 2701

WORK ORDER NO. 2701
DATE: Jul 30, 2020

DATE: JUL 30, 2020
REFERENCE NO: P0023

REFERENCE NO.:
W&S INVOICE NO.:

BILL TO: A/R C# Mike Blackrick

COMPANY: Lakewood Ranch Stewardship District

ADDRESS: 1440 Covenant Way | Lakewood Ranch, FL 34202

ORDERED BY: Eric Folsom

Eric Epler

Manatee
7-0034

TAX LOCATION: Manatee
TAX PERCENTAGE: 7.00%