AGREEMENT BETWEEN THE LAKEWOOD RANCH STEWARDSHIP DISTRICT AND SMR NORTHEAST, LLC REGARDING THE ACQUISITION OF CERTAIN WORK PRODUCT AND INFRASTRUCTURE

THIS AGREEMENT entered into as of this 8th day of September, 2017 by and between, **SMR NORTHEAST, LLC**, a Florida limited liability company, its successors and assigns (hereinafter "Landowner"), and **LAKEWOOD RANCH STEWARDSHIP DISTRICT**, a local unit of special-purpose government, (hereinafter the "District"), located in Manatee and Sarasota counties, Florida.

RECITALS

WHEREAS, Landowner is the owner and/or developer of certain lands in Manatee County, Florida, located within the boundaries of the District and known as the Northeast Sector Project (hereinafter the "Development"); and

WHEREAS, the District is a special district which was established to plan, construct, install, acquire, finance, manage and operate public improvements and community facilities for lands including the Development; and

WHEREAS, the District presently intends to finance the planning, design, acquisition, construction, and installation of certain infrastructure improvements and facilities as generally described in the District's adopted Engineer's Report dated August 4, 2017 attached hereto as Exhibit A (the "Series 2017 District Improvements"); and

WHEREAS, the District has not had sufficient monies on hand in order to allow the District to contract directly for the preparation of the necessary engineering, surveys, reports, drawings, plans, permits, specifications and related documents which will allow the timely commencement and completion of construction of the infrastructure facilities and services contemplated in Exhibit A (the "Work Product"); and

WHEREAS, the District acknowledges the Landowner's need to commence development of the lands within the District in an expeditious and timely manner; and

WHEREAS, the District agrees that it will not have sufficient monies to proceed with either the preparation of the Work Product or the commencement of construction of portions of the infrastructure described in Exhibit A until such time as the District has closed on the sale of its proposed tax exempt bond anticipation notes; and

WHEREAS, in order to avoid a delay in the commencement of the construction of infrastructure, which delay would also delay the Landowner from implementing its planned development program, the Landowner has offered to advance fund and commence certain work on behalf of the District to enable the District to expeditiously provide the infrastructure described in Exhibit A; and

WHEREAS, the Landowner has created the Work Product for the District; and

WHEREAS, the Landowner wishes to convey the Work Product to the District; and

WHEREAS, the Landowner acknowledges that upon their conveyance, the District will have the right to use and rely upon said Work Product for any and all purposes and further desires to release to the District all of its right, title and interest in and to the same (except as provided for herein); and

WHEREAS, the District desires to acquire ownership of the completed Work Product, as well as the unrestricted right to use and rely upon the same for any and all purposes; and

WHEREAS, in order to allow the District to avoid delay as a result of the lengthy process incident to the sale and closing on the District's proposed tax exempt bond anticipation notes or future bonds, the Landowner may commence construction of some portion of the Series 2017 District Improvements; and

WHEREAS, the Landowner agrees to convey to the District all right, title and interest in the portion of the Series 2017 District Improvements completed as of the Acquisition Date (as hereinafter defined); and

WHEREAS, the Landowner agrees to convey any needed real property interests to the District from time to time in a form satisfactory to the District and subject to the conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual understandings and covenants set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the District and Landowner agree as follows:

SECTION 1. GENERAL. The recitals so stated are true and correct and by this reference are incorporated into and form a material part of this Agreement and Assignment.

SECTION 2. WORK PRODUCT.

A. COST. The District agrees to pay the actual reasonable cost incurred by Landowner in preparation of the Work Product in accordance with the provisions of this Agreement. The Landowner agrees any and all administrative and/or management fees are specifically excluded from this Agreement, and to the extent such fees may arise, the Landowner acknowledges sole responsibility for any such fees. Landowner shall provide copies of invoices, bills, receipts or other evidence of costs incurred by Landowner for the Work Product and any other documents requested by the District in accordance with the checklist attached hereto and incorporated as Exhibit B. The parties agree to cooperate and use good faith best efforts to undertake and complete the acquisition process contemplated by this Agreement at or shortly after the closing on the District's Series 2017 Bond Anticipation Notes (Northeast Sector Project) ("Series 2017 Notes") or such other date as the parties may jointly agree upon in writing (the "Acquisition Date"). The parties agree that separate or multiple Acquisition Dates may be

established for any portion of the acquisitions contemplated by this Agreement, whether in Section 2 or any other section of this Agreement. The District Engineer shall review all evidence of cost and shall present to the District Board, or the Chairman serving as the designee for the Board, for consideration the total actual amount of cost, which in the District Engineer's sole opinion, is reasonable for the Work Product. The District Engineer's opinion as to cost shall be set forth in an Engineer's Certificate which shall accompany the requisition for the funds from the District's Trustee. In the event that the Landowner disputes the District Engineer's opinion as to cost, the parties agree to use good faith best efforts to resolve such dispute. If the parties are unable to resolve any such dispute, the parties agree to jointly select a third party engineer whose decision as to any such dispute shall be binding upon the parties. Such a decision by a third party engineer shall be set forth in an Engineer's Affidavit which shall accompany the requisition for the funds from the District's Trustee. The Work Product is being acquired for use by the District in connection with the construction of the Series 2017 District Improvements.

B. CONVEYANCE AND ACCEPTANCE. The Landowner agrees to convey to the District the Work Product upon payment of the sums determined to be reasonable by the District Engineer and approved by the Board as set forth in Section 2 above.

C. RELEASE AND ACCEPTANCE. Landowner agrees to release to the District all right, title and interest which the Landowner may have in and to the above described Work Product, as well as all common law, statutory and other reserved rights, including all copyrights therein and extensions and renewals thereof under United States Law and throughout the world and all publication rights and all subsidiary rights and other rights in and to the Work Product in all forms, mediums and media, now known or hereinafter devised. Landowner shall obtain all releases from any professional providing services in connection with the Work Product to enable the District to use and rely upon the Work Product. Such releases may include, but are not limited to, any architectural, engineering, or other professional services. Such releases shall be provided prior to the acquisition of any portion of the Work Product covered by the release.

D. USE AND RELIANCE. Landowner acknowledges the District's right to use and rely upon the Work Product for any and all purposes.

E. INDEMNIFICATION. Landowner hereby agrees to provide to the District, at or prior to the Acquisition Date, indemnification in a scope and form acceptable to the District which indemnification may be provided by assignment or directly from a third party provider of some or all of the Work Product.

F. WARRANTY. Landowner agrees to warrant that the Work Product is fit for the purposes to which it will be put by the District including but not limited to the construction, installation, and operation and/or maintenance of the Series 2017 District Improvements as contemplated by the District Engineer's Report; provided, however, that Landowner may provide such a warranty from a third party acceptable to the District.

G. ACCESS. The District agrees to allow Landowner access to and use of the Work Product without the payment of any fee by Landowner. However, to the extent

Landowner's access to and use of the Work Product causes the District to incur any cost or expense, such as copying costs, Landowner agrees to pay such cost or expense.

SECTION 3. ACQUISITION OF SERIES 2017 DISTRICT IMPROVEMENTS. The District agrees to acquire those portions of the 2017 District Improvements which have been commenced or completed prior to the issuance of the Series 2017 Notes. Payment for the Work Product and the Series 2017 District Improvements described in and contemplated by this Agreement shall be payable solely from the proceeds of the Series 2017 Notes available for that purpose at the times and in the manner provided in the Supplemental Trust Indenture for the Series 2017 Notes. The Landowner shall be obligated to construct and complete the Series 2017 District Improvements, and to convey the same and any real property, all as provide by this Agreement, regardless of whether the proceeds of the Series 2017 Notes for that purpose under the Trust Indenture are available to pay the applicable acquisition price. Landowner agrees to provide, at or prior to the Acquisition Date, the following: (i) documentation of actual costs paid, (ii) instruments of conveyance such as warranty bills of sale or such other instruments as may be requested by the District, and (iii) any other releases, indemnifications or documentation as may be reasonably requested by the District. Each of the Series 2017 District Improvements, or any portion thereof, shall be complete prior to any acquisition by the District in the sole determination of the District. Completeness which may include, but is not limited to, all releases of liens from contractors, subcontractors and suppliers, sign-offs by permitting or regulatory agencies or other evidence of completion as determined by the District. The Landowner agrees to pay the cost and cooperate fully in the transfer of any permits to the District or a governmental entity with maintenance obligations for any Series 2017 District Improvements conveyed pursuant to this Agreement.

SECTION 4. ACQUISITION OF REAL PROPERTY. The District agrees to accept dedication or conveyance of appropriate interests in real property over which the Series 2017 District Improvements have been or will be constructed at or prior to the time that such Series 2017 District Improvements are completed. Landowner agrees to provide to the District the following: (i) appropriate special warranty deeds or other instruments conveying interests in real property acceptable to the District, and (ii) legal descriptions, whether by metes and bounds or other reference to plats or recorded data to the satisfaction of the District. Landowner and the District agree that reasonable future adjustments to the legal descriptions may be made in order to accurately describe the interest in lands conveyed to the District. The parties agree to cooperate and act in good faith in relation to any such adjustment(s) to legal descriptions. The parties agree that any land transfers made to accommodate such adjustments shall be accomplished by donation. However, the Landowner shall pay any transaction costs resulting from the adjustment, including but not limited to taxes, title insurance, recording fees or other costs. The District may, in its discretion, require title insurance on any real property conveyed pursuant to this Agreement, which cost shall be borne by the Landowner. Landowner agrees that it has, or shall provide, good and marketable title to any real property to be acquired which shall be free from all liens and encumbrances. In the event a title search reveals exceptions to title which render title unmarketable or which, in the District's reasonable discretion, would materially interfere with the District's use of such real property, the Landowner shall cure such defects at no expense to the District. Landowner agrees to indemnify and hold the District harmless from any and all claims, demands, liabilities, judgments, costs, or other actions which

may be brought against or imposed upon the District as a result of Landowner's failure, whether intentional, negligent or otherwise, to comply with the terms of this section.

SECTION 5. ACQUISITION IN ADVANCE OF RECEIPT OF PROCEEDS. The Landowner and District acknowledge that various regulatory and permitting requirements may necessitate the acquisition of a portion of the Series 2017 District Improvements and conveyance of those facilities to a third party governmental entity prior to the receipt of the Series 2017 Notes. The District and Landowner hereby agree that such an acquisition by the District may be completed prior to the District obtaining proceeds from the Series 2017 Notes; provided that the District agrees that upon obtaining such funds, it shall pay the amount agreed upon for those facilities in accordance with this Acquisition Agreement within ten (10) days of receipt of note proceeds sufficient for that payment.

SECTION 6. LIMITATION ON ACQUISITIONS. The Landowner and the District agree and acknowledge that any and all acquisitions, whether for improvements, work product or real property, shall be limited to those items which may legally be acquired by the District in conformance with all applicable state and federal laws and regulations and that nothing herein shall be deemed or construed to require the acquisition of any item in contravention of these authorities.

SECTION 7. TAXES, ASSESSMENTS AND OTHER COSTS.

A. The Landowner agrees to indemnify the District from and make payment for any and all taxes (ad valorem, personal property, intangibles, or otherwise), non-ad valorem assessments, and costs which may be imposed upon the District, or which the District is legally obligated to pay, as a result of the parties entering into this Agreement, if any, whether such taxes, assessments, or costs are imposed upon the District's property or property interest, or Landowner's property or property interest, or any other such expense. The potential obligations of Landowner to pay such taxes, assessments and cost that may be incurred as a result of the parties entering into this Agreement shall terminate one (1) year after conveyance of each parcel of real property.

B. The District is an exempt governmental unit acquiring property pursuant to this Agreement for use exclusively for public purposes. Accordingly, in accordance with Florida law, the Landowner agrees to place in escrow with the Manatee County Tax Collector an amount equal to the current ad valorem taxes and non-ad valorem assessments prorated to the date of transfer of title, based upon the expected assessment and millage rates.

1. If and only to the extent the property acquired by the District is subject to ad valorem taxes or non-ad valorem assessments, the Landowner agrees to reimburse the District for payment, or pay on its behalf, any and all ad valorem taxes and non-ad valorem assessments imposed during the calendar year in which each parcel

of property is conveyed. For example, if the District acquires property in October 2017, the Landowner shall escrow the pro rata amount of taxes due for the tax bill payable in November 2017. If any additional taxes are imposed on the District's property in 2017 then the Landowner agrees to reimburse the District for that additional amount.

2. Nothing in this Agreement shall prevent the District or the Landowner from asserting any rights to challenge any taxes or assessments imposed, if any, on any property of the District.

C. The parties agree to provide notice to the other within ten (10) calendar days of receipt of any notice of potential or actual taxes, assessments, or costs, as a result of any transaction pursuant to this Agreement, or notice of any other taxes assessments or costs imposed on the property acquired by the District as described in subsection B above. The Landowner covenants to make any payments due hereunder in a timely manner in accord with Florida law. In the event that the Landowner fails to make timely payment of any such taxes or costs, the Landowner acknowledges the District's right to make such payment. If the District makes such payment, the Landowner agrees to reimburse the District within seven (7) calendar days of receiving notice of such payment, and to include in such reimbursement any fees, costs, penalties, or other expenses which accrued to the District as a result of making such a payment, including interest at the maximum rate allowed by law from the date of the payment made by the District.

D. The parties agree that in the event the Landowner fails to make timely payment of any such special assessments and/or otherwise defaults on such special assessments imposed to purchase the Series 2017 District Improvements, such default shall terminate any and all District obligations contained in this Agreement.

E. Nothing herein is intended to create or shall create any new or additional tax liability on behalf of the Landowner or the District. Furthermore, the parties reserve all respective rights to challenge, pay under protest, contest or litigate the imposition of any tax, assessment, or cost in good faith they believe is unlawfully or inequitably imposed and agree to cooperate in good faith in the challenge of any such imposition.

SECTION 8. 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.

SECTION 9. AMENDMENT. 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 of the parties hereto.

SECTION 10. AUTHORITY TO CONTRACT. The execution of this Agreement has been duly authorized by the appropriate body or official of all parties hereto, each party has complied with all the requirements of law, and each party has full power and authority to comply with the terms and provisions of this instrument.

SECTION 11. ASSIGNMENT. No party may assign its rights, duties or obligations under this Agreement or any monies to become due hereunder without the prior written consent of each other party, which consent shall not be unreasonably withheld; provided, however, the Landowner shall assign this Agreement to any developer or sub-developer of all or a significant portion of the lands within the District without obtaining the prior written consent of the District.

SECTION 12. EFFECTIVE DATE. This Agreement shall have an effective date as of the date first written above.

SECTION 13. NEGOTIATION AT ARM'S LENGTH. This Agreement has been negotiated fully between the parties as an arms 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 party.

SECTION 14. DEFAULT. A default by the Landowner under this Agreement shall entitle the District to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief and specific performance. A default by the District under this Agreement shall entitle the Landowner to all remedies available at law or in equity, which may include, but not be limited to, the right of damages, injunctive relief and specific performance.

SECTION 15. ENFORCEMENT OF AGREEMENT. In the event that the District is required to enforce this Agreement by court proceedings or otherwise, then the Landowner agrees that if the District is the prevailing party then the District shall be entitled to recover from the Landowner all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings. In the event that the Landowner is required to enforce this Agreement by court proceedings or otherwise, then the District agrees that if the Landowner is the prevailing party then the Landowner shall be entitled to recover from the District all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

SECTION 16. PUBLIC RECORDS. The Landowner understands and agrees that all documents of any kind provided to the District or to District Staff in connection with the activities contemplated under this Agreement are public records and are treated as such in accordance with Florida law.

SECTION 17. 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 thereof.

SECTION 18. EXECUTION IN COUNTERPARTS. This instrument may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, and such counterparts together shall constitute one and the same instrument. Signature and acknowledgment pages, if any, may be detached from the counterparts and attached to a single copy of this document to physically form one document.

SECTION 19. SOVEREIGN IMMUNITY. Landowner agrees that nothing herein shall constitute or be construed as a waiver of the District's limitations on liability contained in Section 768.28, F.S., or other statutes or law.

IN WITNESS WHEREOF, the Parties execute this agreement the day and year first written above.

Attest:

Secretary/Assistant Secretary

LAKEWOOD RANCH STEWARDSHIP DISTRICT

Rex E. Jensen, Chairman

Attest:

Witness: _____

SMR NORTHEAST, LLC,
a Florida limited liability company
By: Schroeder-Manatee Ranch, Inc., its Authorized Member

By: _____
Name: Scott Almand
Title: Vice President, Finance

Exhibit A: Engineers Report dated August 4, 2017
Exhibit B: Acquisition Checklist

LAKEWOOD RANCH STEWARDSHIP DISTRICT MASTER ENGINEER'S REPORT FOR NORTHEAST SECTOR AT LAKEWOOD RANCH INFRASTRUCTURE IMPROVEMENTS

Stantec

Prepared for:
Lakewood Ranch Stewardship District
14400 Covenant Way
Lakewood Ranch, FL 34240

Prepared by:
Stantec Consulting Services Inc.
6900 Professional Parkway East
Sarasota, FL 34240

August 4, 2017

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LAKEWOOD RANCH STEWARDSHIP DISTRICT MASTER ENGINEER'S REPORT FOR NORTHEAST SECTOR AT LAKEWOOD RANCH INFRASTRUCTURE IMPROVEMENTS

August 4, 2017

I. INTRODUCTION

Lakewood Ranch is a master planned multi-use project located in Manatee and Sarasota Counties, Florida. Lakewood Ranch currently consists of six approved Developments of Regional Impact (DRI), namely Cypress Banks, University Lakes, University Place, Northwest Sector, Lakewood Centre, and the Villages of Lakewood Ranch South. Local Bill 1429 passed by the Florida State Legislature and signed by the Governor of the State of Florida on June 17, 2005 created the Lakewood Ranch Stewardship District (the "District"). The Northeast Sector (the "Project") is within the District and more specifically generally bounded by State Road 70, State Road 64, Lorraine Road, and Bourneside Boulevard. It is the purpose of this report to provide a description of the Project and the proposed capital improvements to serve it. Exhibit 1 delineates the boundaries of the Project, with an area consisting of approximately 3,853 acres.

II. GENERAL DESCRIPTION

The terrain within the District is gently rolling, with elevations within the Project ranging from elevation 35 feet to 68 feet NAVD. Soils generally consist of fine sands and shell typical for Manatee County. The primary soil type within the Project boundary is Myakka-Myakka, wet, fine sand (#30). Other soil types at the site include Floridana-Immokalee-Okeelanta Association (#26), Okligrore, Wabasso fine sand (#48), Canova, Anclote and Okeelanta soils (#7), Delray complex (#16), Cassia fine sand (#11), Ona fine sand (#35), Pinellas fine sand (#40), Delray-Pomona Complex (#18), Felda-Wabasso association (#24), Pomello fine sand (#42), Wabasso find sand (#48), and Wachula fine sand (#51). Groundwater generally is located one to two feet below natural grade during the rainy season. Annual fluctuations may reach three to four feet. A series of lakes and control structures are planned to control stormwater discharge. Southwest Florida Water Management District (SWFWMD) and Manatee County design criteria will be utilized for design of all water management facilities within the District.

The four major roadways serving the Project will be SR-70, SR-64, Lorraine Road, and Bourneside Boulevard. Within the Project, there are additional planned major access ways, namely Uihlein Road, Rangeland Parkway, 44th Avenue East, and Post Road.

Potable water and sanitary sewer service will be provided by Manatee County. Non-potable water will be provided by Braden River Utilities.

III. LAND USES

Land uses within the Project will include (but not be limited to):

a) Open space and preservation areas

b) Commercial and Mixed Use

c) Residential (single family and multiple family)

Table 1 summarizes proposed land uses.

TABLE 1
PROPOSED LAND USES

DESCRIPTION	APPROXIMATE AREA (AC)
Residential	3,648
Mixed Use (retail, office, etc.)	85
Open space, preserve, water management facility, lakes & drainage, rights-of-way, school, park, etc.	120
Total	**3,853**

Note: Acreages are approximate and will be determined at final platting.

IV. PERMITS

Permits for site construction are required prior to the start of infrastructure construction. These permits typically include the following:

- Local Zoning approval
- SWFWMD for Surface Water and Consumptive Use ("SWFWMD")
- Manatee County Final Site Plan ("FSP")
- Manatee County Construction Plans ("Const")
- Manatee County Health Department for Water Distribution ("FHD – Water")
- Florida Department of Environmental Protection for Sanitary Sewage Collection ("FDEP – WW")
- U.S. Army Corps of Engineers ("USACE")

Permitting is in the preliminary stages for several major roadways within the development.

V. INFRASTRUCTURE IMPROVEMENTS

A. Proposed Infrastructure Improvements

Proposed improvements for the Project will consist of roadways, a drainage system and stormwater management system (i.e. pipes, lakes, control structures, etc.), landscaping, lighting, recreation (i.e. parks, trails, etc.), decorative walls, fences, potable water systems, sanitary sewer systems, and irrigation facilities. Of these facilities, the District will own and operate/maintain the stormwater management system, irrigation system, and portions of the landscaping within the roadway system. Some roadway lighting may be owned and operated by the District. Portions of the internal roadways, commercial/office, mixed use and multi-family will be privately owned and, therefore, will not be funded by the District. Most of the potable water system and the sanitary sewer system will be owned and operated/maintained by Manatee County, with lesser portions being owned and operated/maintained by the District. District funded improvements are further described in the following sections.

1. Roadways

There are roadways that may require improvement in order to serve the Project. Improvements may include new roadways, street lighting, expansion of existing roadways, intersection improvements, etc. These improvements will be assigned to the Project on a pro-rata basis consistent with the benefit received.

2. Utilities

The District will construct the potable water, sanitary sewer and irrigation systems necessary to support the Project's residents and other activities. Potable water, sanitary sewer and irrigation will be constructed to Manatee County standards. Utilities may include offsite systems (i.e., offsite force main to a wastewater treatment plant) or onsite systems constructed as part of a major roadway or subdivision.

3. Water Management/ Drainage

The stormwater management system will be comprised of excavated stormwater management ponds as well as above ground and below-ground collection systems to transport the stormwater to the appropriate stormwater ponds for treatment and attenuation. Stormwater treatment will occur by the Biological Filtration Process. The filtration system consists of constructed littoral shelves in the appropriate stormwater ponds. These littoral shelves will be planted with wetland plants to create the filtration process.

Run-off attenuation also occurs in the stormwater ponds. SWFWMD requirements mandate that the pre-development peak rates of runoff be maintained during the post development phase. For areas within the Evers Reservoir Watershed, Manatee County requires an additional attenuation, 75% of the pre-development peak rates of runoff are allowed. The design storm event is the 25-year, 24-hour storm.

Minimum residential finished floor elevations as well as minimum roadway elevations will be set per Manatee County requirements. These requirements are established to minimize road flooding during the critical storm event and to prevent flooding during the 100-year design storm.

Portions of the Project lie within the FEMA 100-year floodplain. As a result, there is the possibility of floodplain lakes within the Project to mitigate any impacts. All floodplain impact mitigation will be designed per SWFWMD and Manatee County criteria.

4. Landscaping and Entry Features

Landscaping and entry features will be an integral part of the Project's infrastructure. Development areas and various neighborhoods will have entry features and various hardscape features designed to provide a distinctive look to the community.

Table 2 summarizes improvement costs.

VI. SUMMARY AND CONCLUSION

The Project as outlined is necessary for the functional development of the Project. The Project is being designed in accordance with current governmental regulatory requirements. The Project will serve its intended function so long as the construction is in substantial compliance with the design. Items of construction for the Project are based upon current development plans.

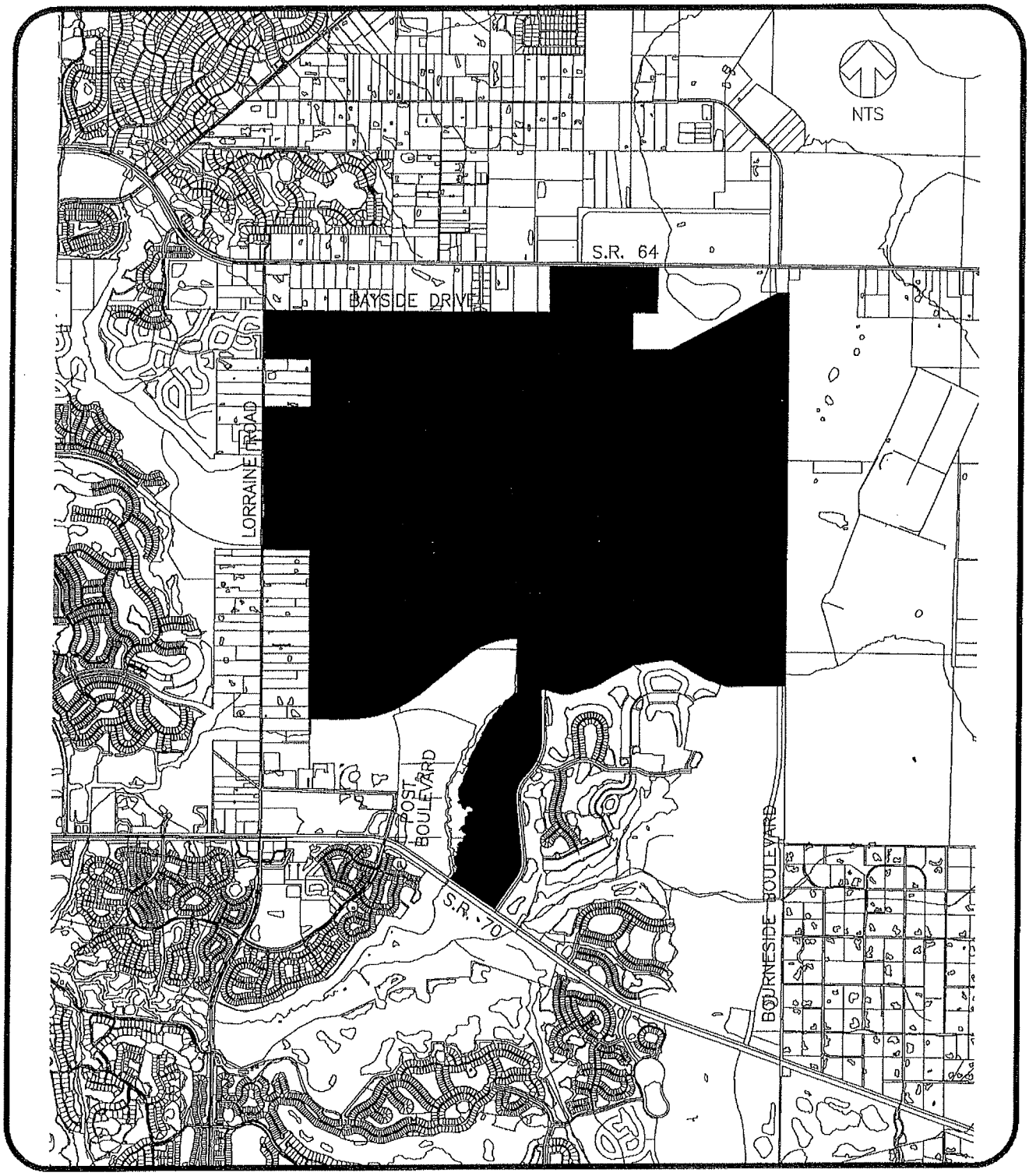
It is our professional opinion that the infrastructure costs provided herein for the District improvements for the Project are reasonable to complete the construction of the infrastructure described herein and that these infrastructure improvements will benefit and add value to the District. These estimated costs are based upon prices currently being experienced for similar items of work in Southwest Florida and expected inflation in the future. Actual costs may vary based on final engineering, planning and approvals from regulatory agencies.

TABLE 2
SUMMARY OF PROPOSED MASTER IMPROVEMENT COSTS

ITEM	DESCRIPTION	PROPOSED CONSTRUCTION
1.	Roadways	$ 77,870,530
2.	Consultants/ Contingencies/ Other	$ 6,809,951
	TOTAL	$ 84,680,481

NOTE 1: All costs are approximate and are subject to change based upon actual bid prices. Roadway costs include roads, drainage, utilities, lighting, landscape, entry features, etc.

EXHIBIT 1



LOCATION MAP

Exhibit B

ACQUISITION CHECKLIST

The following is a checklist that should be of assistance in preparing for the acquisition of engineering, permitting and design documents ("Work Product") and fully completed infrastructure improvements ("Improvements") by the Lakewood Ranch Stewardship Development District ("District"). Some of these items may not be applicable in a given circumstance.

Acquisition of Work Product.

For the acquisition of Work Product, the following items need to be collected or generated for each item of Work Product the developer is requesting the District acquire:

(I) *Contract for Professional Services* - A copy of the contract (and any work authorizations) entered into by and between the Developer and the professional service provider under which the Work Product was produced.

(ii) *Documentation of Costs Paid* - This simply means invoices, bills, receipts, or other evidence of cost. The invoices should be organized based on the Work Product item to be acquired and must be accompanied by proof of payment.

(iii) *Plans* - provide the plans and associated documentation to the District Engineer for review in advance of payment of the sums determined to be reasonable.

(iv) *Releases* - get releases from all professionals providing services related to the Work Product which will allow the District to use and rely upon the validity of the Work Product.

(v) *Warranties* - provide or cause to be provided to the District, either by assignment or directly from such third parties as may be necessary and desirable, a warranty that the Work Product is fit for the purposes to which it will be put to use by the District, as contemplated by the District's Improvement Plan.

(vi) *Permits* - provide the permits and associated documentation to the District Engineer for review in advance of payment.

(vii) *Engineering Review and Certification* - The District Engineer will review the information provided by the Developer and issue an opinion as to whether the costs are reasonable. The District Engineer will then prepare an Engineer's Certificate of approval.

Exhibit B

Acquisition of District Improvements.

For the acquisition of District Improvements, the following items should be collected or generated for each completed piece of infrastructure the Developer is requesting the District acquire:

(I) *Request for Infrastructure Acquisition* - For each acquisition the Developer would like to District to make, a request must be made to the District in writing describing at least the following:

(a) Nature of the District Improvement.
(b) General location of the District Improvement.
(c) Cost of the District Improvement.

(ii) *Contract for Construction Services* - A copy of the contract (and any change orders) entered into by and between the developer and the construction contractor under which the District Improvement was constructed.

(iii) *Documentation of Costs Paid* - This simply means applications for payment, invoices, bills, receipts, or other evidence of cost. The invoices should be organized based on the District Improvement to be acquired and must be accompanied by proof of payment and a verification of payment from the construction contractor.

(iv) *Lien Releases* - Lien releases from the construction contractor reflecting payment in full for construction of completed District Improvements (inc. subcontractors).

(v) *Schedule of Values* - A Schedule of Values identifying only those costs associated with the construction and/or installation of District Improvements (utilities, paving, drainage, etc.).

(vi) *Contractor's Warranty Letter and Maintenance Bond* - A warranty letter and maintenance bond from the construction contractor for the District Improvements to be acquired. For example,

(a) Stormwater - ponds, master drainage pipes and control structures
(b) Roadway - paving and drainage
(c) Utilities - water, sewer and lift station

(viii) *Test Results* - **If applicable** to the District Improvement being acquired, the following testing must be completed and the results provided to the District Engineer for review in advance of acquisition. By way of example:

(a) Bacteriological
(b) Pressure tests
(c) Backflow certification

(d) TV Tapes
(e) Electric to lift station
(f) Lift station start-up
(g) Lift station start-up electrical inspection
(h) Operation and maintenance manuals
(I) Geotechnical testing results and geotechnical certification

(ix) *Final Inspections and Agency Sign-Off* - **If applicable** to the District Improvement being acquired, final inspections by the project engineer must be completed and sign-off obtained from the appropriate governmental agencies (DEP, WMD etc).

(x) *Instruments of Conveyance.* Most, if not all, of the transfers of improvements will also involve some type of real and tangible property transfer (*e.g.*, bills of sale, deeds or easements, etc.). If any item acquired is to be conveyed to a third party governmental body, then the Developer will be asked to provide such certifications or documents as may be required by that governmental body.

(xi) *Real Property Interests*. Determine what type of real property interest is needed for the Improvement (e.g., easement, deed, etc.) and make provision for conveyance.

(xii) *Engineering Review and Certification* - The District Engineer will review the information provided by the Developer and issue an opinion as to whether the costs are reasonable. The District Engineer will then prepare an Engineer's Certificate.