

*North Powerline Road  
Community Development District*

*Agenda*

*February 5, 2020*

# AGENDA

# *North Powerline Road*

## *Community Development District*

---

219 E. Livingston St., Orlando, Florida 32801

Phone: 407-841-5524 – Fax: 407-839-1526

January 29, 2020

**Board of Supervisors**  
**North Powerline Road**  
**Community Development District**

Dear Board Members:

The regular meeting of the Board of Supervisors of **North Powerline Road Community Development District** will be held **Wednesday, February 5, 2020 at 10:00 AM at 346 E Central Ave., Winter Haven, Florida 33880**. Following is the advance agenda for the meeting:

1. Roll Call
2. Public Comment Period (<sup>1</sup>Speakers will fill out a card and submit it to the District Manager prior to the beginning of the meeting)
3. Approval of Minutes of the December 4, 2019 Board of Supervisors Meeting
4. Consideration of Resolution 2020-02 Amending the Delegation Resolution
5. Consideration of Resolution 2020-03 Directing the Chairman and District Staff to File a Petition Amending District Boundaries
6. Consideration of Resolution 2020-04 Declaring Special Assessments
7. Consideration of Resolution 2020-05 Setting a Public Hearing on the Imposition of Special Assessments

---

<sup>1</sup> Comments will be limited to three (3) minutes

8. Consideration of Resolution 2020-06 Re-Designating the Primary Administrative Office and Principal Headquarters for the District
9. Consideration of Resolution 2020-07 Adopting an Internal Controls Policy
10. Consideration of Boundary Amendment Funding Agreement
11. Consideration of Uniform Collection Agreement with Polk County Tax Collector
12. Ratification of Contract Agreement with Polk County Property Appraiser
13. Ratification of 2020 Data Sharing and Usage Agreement with Polk County Property Appraiser
14. Staff Reports
  - A. Attorney
  - B. Engineer
  - C. District Manager's Report
    - i. Approval of Check Registers
    - ii. Balance Sheet and Income Statement
15. Other Business
16. Supervisors Requests and Audience Comments
17. Adjournment

The second order of business is the Public Comment Period where the public has an opportunity to be heard on propositions coming before the Board as reflected on the agenda, and any other items. Speakers must fill out a Request to Speak form and submit it to the District Manager prior to the beginning of the meeting.

The third order of business is the approval of the minutes from the December 4, 2019 Board of Supervisors Meeting. A copy of the minutes are enclosed for your review.

The fourth order of business is the Consideration of Resolution 2020-02 Amending the Delegation Resolution. A copy of the resolution is included for your review.

The fifth order of business is the Consideration of Resolution 2020-03 Directing the Chairman and District Staff to File a Petition Amending District Boundaries. A copy of the resolution is included for your review.

The sixth order of business is the Consideration of Resolution 2020-04 Declaring Special Assessments. A copy of the resolution is enclosed for your review.

The seventh order of business is the Consideration of Resolution 2020-05 Setting a Public Hearing on the Imposition of Special Assessments. A copy of the resolution is enclosed for your review.

The eighth order of business is the Consideration of Resolution 2020-06 Designating the Primary Administrative Office and Principal Headquarters for the District. A copy of the resolution is enclosed for your review.

The ninth order of business is the Consideration of Resolution 2020-07 Adopting an Internal Controls Policy. A copy of the resolution is enclosed for your review.

The tenth Consideration of Boundary Amendment Funding Agreement. A copy of the agreement is included for your review.

The eleventh Consideration of Uniform Collection Agreement with Polk County Tax Collector. A copy of the agreement is included for your review.

The twelfth order of business is the Ratification of Contract Agreement with Polk County Property Appraiser. A copy of the agreement is included for your review.

The thirteenth order of business is the Ratification of 2020 Data Sharing and Usage Agreement with Polk County Property Appraiser. A copy of the agreement is included for your review.

The fourteenth order of business is Staff Reports. Section C is the District Manager's report. Sub-Section 1 includes the check register for your approval and Sub-Section 2 includes the balance sheet and income statement. A copy of both are included for your review.

The balance of the agenda will be discussed at the meeting. In the meantime, if you should have any questions, please do not hesitate to contact me.

Sincerely,

Jill Burns  
District Manager

CC: Roy Van Wyk, District Counsel

Enclosures

# MINUTES

**MINUTES OF MEETING  
NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

The regular meeting of the Board of Supervisors of the North Powerline Road Community Development District was held on Wednesday, **December 4, 2019** at 10:00 a.m. at the 346 E Central Ave., Winter Haven, Florida.

Present and constituting a quorum:

Lauren Schwenk	Vice Chairman
Phillip Allende	Assistant Secretary
Andrew Rhinehart	Assistant Secretary
Kevin Chinoy	Assistant Secretary

Also present were:

Jill Burns	District Manager/GMS
Roy Van Wyk <i>via phone</i>	HGS
Michelle Rigoni <i>via phone</i>	HGS
Patrick Marone	Developer's Office
Heather Wertz <i>via phone</i>	Absolute Engineering

**FIRST ORDER OF BUSINESS**

**Roll Call**

Ms. Burns called the meeting to order and called the roll. A quorum was present.

**SECOND ORDER OF BUSINESS**

**Public Comment Period**

No members of the public were present.

**THIRD ORDER OF BUSINESS**

**Approval of Minutes of the November 6, 2019  
Board of Supervisors Meeting**

Ms. Burns asked for any questions, comments, or corrections on the minutes, hearing none.

On MOTION by Mr. Allende, seconded by Mr. Chinoy, with all in favor, the Minutes of the November 6, 2019 Board of Supervisors Meeting, were approved.
---



**FOURTH ORDER OF BUSINESS**

**Consideration of Temporary Construction Easement Agreement**

Ms. Burns presented the Temporary Construction Easement Agreement to the board and asked for any questions.

On MOTION by Ms. Schwenk, seconded by Mr. Allende, with all in favor, the Temporary Construction Easement Agreement, was approved.

**FIFTH ORDER OF BUSINESS**

**Consideration of Construction Funding Agreement for Bella Vita Phase I**

Ms. Burns presented the Construction Funding Agreement to the board and asked for any questions.

On MOTION by Mr. Allende, seconded by Ms. Schwenk, with all in favor, the Construction Funding Agreement for Bella Vita Phase I, was approved.

**SIXTH ORDER OF BUSINESS**

**Staff Reports**

**A. Attorney**

Mr. Van Wyk had nothing further for the board.

**B. Engineer**

Ms. Wertz had nothing further for the board.

**C. District Manager's Report**

**i. Approval of Check Registers**

Ms. Burns presented the check registers.

On MOTION by Mr. Chinoy, seconded by Mr. Allende, with all in favor, the Check Register, was approved.

**ii. Balance Sheet and Income Statement**

Ms. Burns presented the financials and asked for any questions.

**SEVENTH ORDER OF BUSINESS**

**Other Business**

There being none, the next item followed.

**EIGHTH ORDER OF BUSINESS**

**Supervisor's Requests and Audience  
Comments**

There being none, the next item followed.

**NINTH ORDER OF BUSINESS**

**Adjournment**

The meeting was adjourned.

On MOTION by Ms. Schwenk, seconded by Mr. Allende, with all in favor, the meeting was adjourned.
--

---

Secretary / Assistant Secretary

---

Chairman / Vice Chairman

## SECTION IV

## **RESOLUTION 2020-02**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT AUTHORIZING THE ISSUANCE OF ITS NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2020 (THE "SERIES 2020 BONDS"); DETERMINING CERTAIN DETAILS OF THE SERIES 2020 BONDS AND ESTABLISHING CERTAIN PARAMETERS FOR THE SALE THEREOF; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A FIRST SUPPLEMENTAL TRUST INDENTURE; AUTHORIZING THE NEGOTIATED SALE OF THE SERIES 2020 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A BOND PURCHASE CONTRACT WITH RESPECT TO THE SERIES 2020 BONDS AND AWARDED THE SERIES 2020 BONDS TO THE UNDERWRITER NAMED THEREIN; APPROVING THE FORM OF AND AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2020 BONDS AND ITS USE BY THE UNDERWRITER IN CONNECTION WITH THE OFFERING FOR SALE OF THE SERIES 2020 BONDS; APPROVING THE EXECUTION AND DELIVERY OF A FINAL LIMITED OFFERING MEMORANDUM RELATING TO THE SERIES 2020 BONDS; APPROVING THE FORM OF AND AUTHORIZING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE AGREEMENT; PROVIDING FOR THE APPLICATION OF SERIES 2020 BOND PROCEEDS; AUTHORIZING THE PROPER OFFICIALS TO DO ALL THINGS DEEMED NECESSARY IN CONNECTION WITH THE ISSUANCE, SALE AND DELIVERY OF THE SERIES 2020 BONDS; MAKING CERTAIN DECLARATIONS; RESCINDING RESOLUTION NO. 2019-04 ADOPTED SEPTEMBER 11, 2019; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.**

**WHEREAS**, North Powerline Road Community Development District (the "District") is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") and created by Resolution No. 387-18 adopted by the City Commission of the City of Davenport, Florida on March 19, 2018 and Ordinance No. 18-036 enacted by the Board of County Commissioners of Polk County, Florida on June 5, 2018; and

**WHEREAS**, pursuant to the Act and Resolution No. 2018-25 duly adopted by the Board of Supervisors of the District on July 18, 2018 (the "Bond Resolution"), the Board of Supervisors (the "Board") has approved the form of a Master Trust Indenture (the "Master Indenture"), between the District and U.S. Bank National Association, as Trustee (the "Trustee"); and

**WHEREAS**, the District duly adopted Resolution No. 2018-23 on July 18, 2018, declaring the levy and collection of special assessments (the "Special Assessments") pursuant to the Act and Chapter 170, Florida Statutes, indicating the location, nature and estimated cost of the improvements which cost is to be defrayed by the Special Assessments, providing the manner in which the Special Assessments will be made, designating the lands upon which the Special Assessments will be levied, authorizing the preparation of a preliminary assessment roll and fixing the time and place of a public hearing; and

**WHEREAS**, the District duly adopted Resolution No. 2018-24 on July 18, 2018, setting a public hearing to be held on September 19, 2018, for the purpose of hearing public comment on imposing the Special Assessments; and

**WHEREAS**, the District duly adopted Resolution No. 2018-32 on September 19, 2018, authorizing the undertaking of the Project, the first portion of which is to be financed with the proceeds of the Series 2020 Bonds (as hereinafter defined), as described more particularly in the Engineer's Report for Capital Improvements Amended and Restated dated August 2019 and prepared by Absolute Engineering, Inc., and summarized in Schedule I attached to this Resolution (the "Series 2020 Project"), and equalizing, approving, confirming and levying the Special Assessments on the property within the District benefited by the Series 2020 Project; and

**WHEREAS**, as a result of changes in the development plan, the District desires to rescind Resolution No. 2019-04 duly adopted by the Board on September 11, 2019, and has determined it to be in the best interests of the landowners of the District, for the District to amend its boundaries to add an additional eight (8) developable units and recreation facilities on a parcel adjacent to the District and expected to be annexed into the District following the issuance of the Series 2020 Bonds (as defined herein), and the District has determined to issue its North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds") for the primary purpose of providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project as summarized in Schedule I, attached hereto; and

**WHEREAS**, the Series 2020 Bonds constitute Bonds validated and confirmed by a final judgment of the Tenth Judicial Circuit Court in and for Hardee, Highlands and Polk Counties, Florida, rendered on 25<sup>th</sup> day of September, 2018; and

**WHEREAS**, on July 18, 2018, the District approved a Master Assessment Methodology Report, dated July 11, 2018, prepared by the District's former methodology consultant, Fishkind & Associates, Inc., setting forth the District's methodology for allocating debt to property within the District, as supplemented and amended by the Supplemental Assessment Methodology – Phase 1 dated February 5, 2020 (collectively, the "Assessment Methodology Report"), prepared by the District's methodology consultant, Governmental Management Services – Central Florida, LLC, setting forth the District's methodology for allocating debt in connection with the Series 2020 Bonds to property within the District; and

**WHEREAS**, the Series 2020 Bonds will be secured by special assessments levied and imposed on assessable land within the District in accordance with the Assessment Methodology Report; and

**WHEREAS**, there has been submitted to this meeting with respect to the issuance and sale of the Series 2020 Bonds and submitted to the Board:

- (i) a form of First Supplemental Trust Indenture between the Trustee and the District attached as Exhibit A hereto (the "First Supplemental Indenture" and together with the Master Indenture, the "Indenture"); and
- (ii) a form of Bond Purchase Contract with respect to the Series 2020 Bonds between FMSbonds, Inc. (the "Underwriter") and the District attached as Exhibit B hereto (the "Bond Purchase Contract"), together with the form of a disclosure statement attached to the Bond Purchase Contract in accordance with Section 218.385, Florida Statutes; and
- (iii) a form of Preliminary Limited Offering Memorandum relating to the Series 2020 Bonds attached as Exhibit C hereto (the "Preliminary Limited Offering Memorandum"); and
- (iv) a form of Rule 15c2-12 Certificate of the District relating to the Preliminary Limited Offering Memorandum, attached as Exhibit D hereto (the "Rule 15c2-12 Certificate"); and
- (v) a form of the Continuing Disclosure Agreement (the "Continuing Disclosure Agreement") to be entered into among the District, the dissemination agent named therein (the "Dissemination Agent"), and any landowner constituting an "Obligated Person" under the terms of the Continuing Disclosure Agreement, attached as Exhibit E hereto;

**WHEREAS**, any capitalized term used herein and not otherwise expressly defined herein shall have the meaning ascribed thereto in the Indenture; and

**NOW, THEREFORE, BE IT RESOLVED** by the Board of Supervisors of North Powerline Road Community Development District, as follows:

**Section 1. Authorization of Issuance of Series 2020 Bonds.** There are hereby authorized and directed to be issued North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds") in an aggregate principal amount not to exceed \$7,300,000, for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) making a deposit to the Series 2020 Reserve Account in an amount equal to the Series 2020 Reserve Requirement, (iii) funding a portion of the interest coming due on the Series 2020 Bonds, and (iv) paying certain costs of issuance in respect of the Series 2020 Bonds. The Series 2020 Bonds shall be issued under and secured by the Indenture the form of which by reference is hereby incorporated by reference into this resolution as if set forth in full herein.

**Section 2. Details of the Series 2020 Bonds.** The District hereby determines that the Series 2020 Bonds shall mature in the amounts and at the times, shall bear interest at the rates, be redeemable at the redemption prices and in the manner as determined by the Chairperson of the

Board of Supervisors of the District (the "Chairperson") or any member of the Board of Supervisors designated by the Chairperson (a "Designated Member"), prior to the sale of said Series 2020 Bonds, all in a manner consistent with the requirements of the Bond Resolution and within the parameters set forth in Section 5 hereof.

**Section 3. First Supplemental Indenture.** The District hereby approves and authorizes the execution of the First Supplemental Indenture by the Chairperson or any Designated Member and the Secretary or any Assistant Secretary of the Board of Supervisors (the "Secretary") and the delivery of the First Supplemental Indenture in substantially the form thereof attached as Exhibit A hereto, with such changes therein as shall be approved by the Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of First Supplemental Indenture attached hereto.

**Section 4. Negotiated Sale.** The Series 2020 Bonds shall be sold by a negotiated sale to the Underwriter. It is hereby determined by the District that a negotiated sale of the Series 2020 Bonds to the Underwriter will best effectuate the purposes of the Act, is in the best interests of the District and is necessitated by, in general, the characteristics of the issues and prevailing market conditions and specifically, the following additional reasons:

(i) because of the complexity of the financing structure of the Series 2020 Bonds, including the pledge of Special Assessments as security for the Series 2020 Bonds, it is desirable to sell the Series 2020 Bonds pursuant to a negotiated sale so as to have an underwriter involved from the outset of the financing to assist in these matters;

(ii) because of changing market conditions for tax-exempt bonds and the necessity of being able to adjust the terms of the Series 2020 Bonds, it is in the best interests of the District to sell the Series 2020 Bonds by a negotiated sale;

(iii) the Underwriter has participated in structuring the issuance of the Series 2020 Bonds and can assist the District in attempting to obtain the most attractive financing for the District;

(iv) the Series 2020 Bonds do not bear a credit rating and will be offered initially only to accredited investors within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder; and

(v) the District will not be adversely affected if the Series 2020 Bonds are not sold pursuant to a competitive sale.

**Section 5. Bond Purchase Contract.** The District hereby approves the form of the Bond Purchase Contract submitted by the Underwriter and attached as Exhibit B hereto, and the sale of the Series 2020 Bonds by the District upon the terms and conditions set forth in the Bond Purchase Contract is hereby approved. The Chairperson or a Designated Member are each hereby authorized, acting individually, to execute the Bond Purchase Contract and to deliver the Bond Purchase Contract to the Underwriter. The Bond Purchase Contract shall be in substantially the form of the Bond Purchase Contract attached as Exhibit B hereto with such

changes, amendments, modifications, omissions and additions as may be approved by the Chairperson or the Designated Member; provided, however,

(i) The Series 2020 Bonds shall be subject to optional redemption no later than November 1, 2032, at a redemption price equal to their par value, plus accrued interest to the redemption date;

(ii) The interest rate on the Series 2020 Bonds shall not exceed an average net interest cost rate, which shall be computed by adding 300 basis points to The Bond Buyer "20 Bond Index" published immediately preceding the first day of the calendar month in which the bonds are sold, as provided in Section 215.84(3), Florida Statutes, as amended;

(iii) The aggregate principal amount of the Series 2020 Bonds shall not exceed \$7,300,000;

(iv) The Series 2020 Bonds shall have a final maturity not later than the maximum term allowed by Florida law, which is currently thirty years of principal amortization; and

(v) The price at which the Series 2020 Bonds shall be sold to the Underwriter shall not be less than 98% of the aggregate face amount of the Series 2020 Bonds, exclusive of original issue discount.

Execution by the Chairperson or a Designated Member of the Bond Purchase Contract shall be deemed to be conclusive evidence of approval of such changes.

**Section 6. Preliminary Limited Offering Memorandum; Final Limited Offering Memorandum.** The District hereby approves the form of the Preliminary Limited Offering Memorandum submitted to this meeting and attached as Exhibit C hereto and authorizes its distribution and use in connection with the limited offering for sale of the Series 2020 Bonds. The preparation of a final Limited Offering Memorandum relating to the Series 2020 Bonds (the "Limited Offering Memorandum") is hereby approved and the Chairperson or any Designated Member is hereby authorized to execute such final Limited Offering Memorandum to be dated the date of the award of the Series 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 Series 2020 Bonds. The Limited Offering Memorandum shall be substantially in the form of the Preliminary Limited Offering Memorandum attached as Exhibit C hereto, with such changes as shall be approved by the Chairperson or Designated Member as necessary to conform the details of the Series 2020 Bonds and such other insertions, modifications and changes as may be approved by the Chairperson or Designated Member. The execution and delivery of the Limited Offering Memorandum by the Chairperson or Designated Member shall constitute evidence of the approval thereof. The District hereby authorizes the use of the Limited Offering Memorandum and the information contained therein in connection with the offering and sale of the Series 2020 Bonds. The Chairperson is further authorized to deem the Preliminary Limited Offering Memorandum "final" within the meaning of Rule 15c2-12 of the Securities and Exchange Commission under the Securities Exchange Act of 1934, in the form as mailed, and in furtherance thereof to execute the Rule 15c2-12 Certificate evidencing the same substantially in the forms attached as Exhibit D hereto.



**Section 7. Continuing Disclosure.** The District hereby authorizes and approves the execution and delivery of the Continuing Disclosure Agreement by and among the District, the Dissemination Agent and any landowner constituting an "Obligated Person" under the Continuing Disclosure Agreement, by the Chairperson or a Designated Member substantially in the form presented to this meeting and attached as Exhibit E hereto, with such changes therein as shall be approved by the Chairperson or Designated Member executing the same, with such execution to constitute conclusive evidence of such officer's approval and the District's approval of any changes therein from the form of Continuing Disclosure Agreement attached hereto. The Continuing Disclosure Agreement is being executed by the District in order to assist the Underwriter in complying with Rule 15c2-12(b)(5) promulgated by the U.S. Securities and Exchange Commission.

**Section 8. Application of Bond Proceeds.** The proceeds of the Series 2020 Bonds shall be applied in the manner required in the First Supplemental Indenture.

**Section 9. Further Official Action; Ratification of Prior and Subsequent Acts.** The Chairperson, the Secretary and each member of the Board of Supervisors of the District and any other proper official of the District are each hereby authorized and directed to execute and deliver any and all documents and instruments (including, without limitation, any documents required by the Trustee to evidence its rights and obligations with respect to the Series 2020 Bonds, any documents required in connection with implementation of a book-entry system of registration, and investment agreements relating to the investment of the proceeds of the Series 2020 Bonds and any agreements in connection with maintaining the exclusion of interest on the Series 2020 Bonds from gross income of the holders thereof) and to do and cause to be done any and all acts and things necessary or desirable for carrying out the transactions contemplated by this Resolution. In the event that the Chairperson or the Secretary is unable to execute and deliver the documents herein contemplated, such documents shall be executed and delivered by the respective designee of such officer or official or any other duly authorized officer or official of the District. The Secretary or any Assistant Secretary is hereby authorized and directed to apply and attest the official seal of the District to any agreement or instrument authorized or approved herein that requires such a seal and attestation. The Chairperson or any Designated Member may, among other things, change the date of any document accompanying this Resolution as an exhibit. Execution by the Chairperson or a Designated Member of such document shall be deemed to be conclusive evidence of approval of such change of date. All of the acts and doings of such members of the Board, the officers of the District, and the agents and employees of the District, which are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, shall be and are hereby ratified, confirmed and approved.

**Section 10. Prior Resolution.** Resolution No. 2019-04 duly adopted by the Board on September 11, 2019 is hereby rescinded, repealed and of no further force and effect.

**Section 11. 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.

**Section 12. Inconsistent Proceedings.** All resolutions or proceedings, or parts thereof, in conflict with the provisions hereof are to the extent of such conflict hereby repealed or amended to the extent of such inconsistency.

**Section 13. Ratification of Prior Acts.** All actions previously taken by or on behalf of the District in connection with the issuance of the Series 2020 Bonds are hereby authorized, ratified and confirmed.

**Section 14. Public Meetings.** It is hereby found and determined that all formal actions of the District concerning and relating to the adoption of this Resolution and the consummation of the transactions contemplated by this Resolution were adopted in open meetings of the District, and that all deliberations of the District that resulted in such formal action were in meetings open to the public, in compliance with all legal requirements.

**Section 15. Effective Date.** This Resolution shall take effect immediately upon its adoption.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE  
FOLLOWS]

**PASSED** in Public Session of the Board of Supervisors of North Powerline Road Community Development District, this 5<sup>th</sup> day of February, 2020.

**NORTH POWERLINE ROAD COMMUNITY  
DEVELOPMENT DISTRICT**

Attest:

---

Secretary,  
Board of Supervisors

---

Chairperson, Board of Supervisors

## **SCHEDULE I**

### **DESCRIPTION OF SERIES 2020 PROJECT**

The Series 2020 Project includes, but is not limited to, the following improvements identified for Phase 1:

<b><u>Infrastructure</u></b>	<b><u>Phase 1</u> <u>(278 Lots)</u> <u>2019-2023</u></b>	<b><u>Phase 2</u> <u>(95 Lots)</u> <u>2019-2024</u></b>	<b><u>Phase 3</u> <u>(212 Lots)</u> <u>2020-2025</u></b>	<b><u>Total</u> <u>(585 Lots)</u></b>
Offsite Improvements <sup>(1)(5)(7)(11)</sup>	\$ 140,000.00	\$ 42,000.00	\$ 98,000.00	\$ 280,000.00
Stormwater Management <sup>(1)(2)(3)(5)(6)(7)</sup>	3,325,000.00	1,150,000.00	2,980,000.00	7,455,000.00
Utilities (Water, Sewer, & Street Lighting) <sup>(1)(5)(7)(9)(11)</sup>	1,965,000.00	575,000.00	1,375,000.00	3,915,000.00
Roadway <sup>(1)(4)(5)(7)</sup>	1,250,000.00	750,000.00	1,065,000.00	3,065,000.00
Entry Feature <sup>(1)(7)(8)(9)(11)</sup>	100,000.00	30,000.00	70,000.00	200,000.00
Parks and Amenities <sup>(1)(7)(11)</sup>	420,000.00	126,000.00	294,000.00	840,000.00
Contingency <sup>(11)</sup>	335,000.00	135,000.00	280,000.00	750,000.00
<b>TOTAL</b>	<b>\$7,535,000.00</b>	<b>\$2,808,000.00</b>	<b>\$6,162,000.00</b>	<b>\$16,505,000.00</b>

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2019 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 585 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Source: North Powerline Road Community Development District Engineer's Report for Capital Improvements Amended and Restated dated August 2019, prepared by Absolute Engineering, Inc.

**EXHIBIT A**

**FORM OF FIRST SUPPLEMENTAL TRUST INDENTURE**

---

**FIRST SUPPLEMENTAL TRUST INDENTURE**

---

between

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
(POLK COUNTY, FLORIDA)**

and

**U.S. BANK NATIONAL ASSOCIATION**

as Trustee

---

**Dated as of [\_\_\_\_\_] 1, 2020]**

---

**Authorizing and Securing  
\$[\_\_\_\_\_]   
NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BONDS, SERIES 2020**

## **TABLE OF CONTENTS**

### **Page**

#### **ARTICLE I DEFINITIONS**

#### **ARTICLE II THE SERIES 2020 BONDS**

SECTION 2.01.	Amounts and Terms of Series 2020 Bonds; Issue of Series 2020 Bonds .....	14
SECTION 2.02.	Execution .....	14
SECTION 2.03.	Authentication .....	14
SECTION 2.04.	Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2020 Bonds.....	14
SECTION 2.05.	Debt Service on the Series 2020 Bonds.....	15
SECTION 2.06.	Disposition of Series 2020 Bond Proceeds .....	16
SECTION 2.07.	Book-Entry Form of Series 2020 Bonds .....	16
SECTION 2.08.	Appointment of Registrar and Paying Agent .....	17
SECTION 2.09.	Conditions Precedent to Issuance of the Series 2020 Bonds .....	17

#### **ARTICLE III REDEMPTION OF SERIES 2020 BONDS**

SECTION 3.01.	Redemption Dates and Prices .....	19
SECTION 3.02.	Notice of Redemption .....	22

#### **ARTICLE IV ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS; ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS; REMOVAL OF SERIES 2020 SPECIAL ASSESSMENT LIENS**

SECTION 4.01.	Establishment of Certain Funds and Accounts.....	23
SECTION 4.02.	Series 2020 Revenue Account .....	27
SECTION 4.03.	Power to Issue Series 2020 Bonds and Create Lien.....	28
SECTION 4.04.	Series 2020 Project to Conform to Consulting Engineers Report .....	28
SECTION 4.05.	Prepayments; Removal of Series 2020 Special Assessment Liens .....	28

#### **ARTICLE V COVENANTS AND DESIGNATIONS OF THE ISSUER**

SECTION 5.01.	Collection of Series 2020 Special Assessments .....	30
SECTION 5.02.	Continuing Disclosure.....	30
SECTION 5.03.	Investment of Funds and Accounts.....	30
SECTION 5.04.	Additional Bonds.....	30
SECTION 5.05.	Requisite Owners for Direction or Consent .....	31

SECTION 5.06.	Acknowledgement Regarding Series 2020 Acquisition and Construction Account Moneys Following an Event of Default .....	31
---------------	---	----

**ARTICLE VI**  
**THE TRUSTEE; THE PAYING AGENT AND REGISTRAR**

SECTION 6.01.	Acceptance of Trust .....	32
SECTION 6.02.	Trustee's Duties .....	32

**ARTICLE VII**  
**MISCELLANEOUS PROVISIONS**

SECTION 7.01.	Interpretation of First Supplemental Trust Indenture.....	33
SECTION 7.02.	Amendments.....	33
SECTION 7.03.	Counterparts .....	33
SECTION 7.04.	Appendices and Exhibits.....	33
SECTION 7.05.	Payment Dates .....	33
SECTION 7.06.	No Rights Conferred on Others .....	33

EXHIBIT A	DESCRIPTION OF SERIES 2020 PROJECT
EXHIBIT B	FORM OF SERIES 2020 BOND
EXHIBIT C	FORMS OF REQUISITIONS
EXHIBIT D	FORM OF INVESTOR LETTER



THIS **FIRST SUPPLEMENTAL TRUST INDENTURE** (the "First Supplemental Trust Indenture"), dated as of [\_\_\_\_\_ 1, 2020] between the **NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT** (together with its successors and assigns, the "Issuer"), a local unit of special-purpose government organized and existing under the laws of the State of Florida, and **U.S. BANK NATIONAL ASSOCIATION**, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Orlando, Florida, as trustee (said national banking association and any bank or trust company becoming successor trustee under this First Supplemental Trust Indenture being hereinafter referred to as the "Trustee");

**WITNESSETH:**

**WHEREAS**, the Issuer is a local unit of special purpose government duly organized and existing under the provisions of the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act") created pursuant to Resolution No. 387-18 adopted by the City Commission of the City of Davenport on March 19, 2018 (the "City") and Ordinance No. 18-036 enacted by the Board of County Commissioners of Polk County, Florida on June 5, 2018 (the "Original Ordinance"), for the purposes of delivering community development services and facilities to property to be served by the District (as defined below); and

**WHEREAS**, the premises governed by the Issuer (as further described in Exhibit A to the Master Indenture (as defined herein) currently consists of approximately 190.56 acres of land (the "Existing District Lands") located partially within unincorporated Polk County (the "County") and partially within the City; and

**WHEREAS**, the District is in the process of amending its boundaries to include an additional eight (8) developable units and recreation facilities comprising approximately [\_\_\_\_\_] acres of land located immediately to the west of the Existing District Lands (the "Annexed Parcel" and, together with the Existing District Lands, herein the "District Lands"); and

**WHEREAS**, the Issuer has been created for the purpose of delivering certain community development services and facilities for the benefit of the District Lands; and

**WHEREAS**, the Issuer has determined to undertake, in one or more phases, the acquisition and/or construction of public infrastructure improvements and community facilities for the special benefit of the District Lands, as described in the Engineer's Report for Capital Improvements Amended and Restated dated August 2019 Exhibit B (the "Engineer's Report") and summarized in Exhibit B to the Master Indenture (as defined herein and summarized in Exhibit A attached hereto); and

**WHEREAS**, the Issuer has previously adopted Resolution No. 2017-25 on July 18, 2018 (the "Original Authorizing Resolution"), authorizing the issuance of not to exceed \$22,000,000 in aggregate principal amount of its Special Assessment Bonds (the "Bonds") to finance all or a portion of the planning, design, acquisition and construction costs of certain improvements pursuant to the Act for the special benefit of the District Lands or portions thereof and approving the form of and authorizing the execution and delivery of the Master Indenture; and

**WHEREAS**, [JBMI Real Estate, LLC], a Florida limited liability company (the "Series 2020 Landowner") is the owner of a residential community to be located within the District and will construct or cause the Issuer to construct all of the public infrastructure necessary to serve such residential community (such public infrastructure as described on Exhibit A attached hereto is herein collectively referred to as the "Series 2020 Project"); and

**WHEREAS**, the Series 2020 Project is planned for 273 single-family units [(including the 8 (eight) residential units comprising the Annexed Parcel)] constituting the first phase of development within the District (the "Series 2020 Assessment Area") and will construct or cause the Issuer to construct all of the public infrastructure necessary to serve the Series 2020 Assessment Area (such public infrastructure as described on Exhibit A attached hereto is herein collectively referred to as the "Series 2020 Project"); and

**WHEREAS**, the Issuer has determined to issue its first Series of Bonds, designated as the North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds"), pursuant to that certain Master Trust Indenture dated as of [\_\_\_\_\_] **1, 2020**], between the Issuer and the Trustee (as hereinafter defined) and this First Supplemental Trust Indenture (hereinafter collectively referred to as the "Series 2020 Indenture"); and

**WHEREAS**, in the manner provided herein, the proceeds of the Series 2020 Bonds will be used for the purposes of (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2020 Bonds, and (iv) paying the costs of issuance of the Series 2020 Bonds; and

**WHEREAS**, the Series 2020 Bonds will be secured by a pledge of Series 2020 Pledged Revenues (as hereinafter defined) to the extent provided herein.

**NOW, THEREFORE, THIS FIRST SUPPLEMENTAL TRUST INDENTURE WITNESSETH**, that to provide for the issuance of the Series 2020 Bonds, the security and payment of the principal or redemption price thereof (as the case may be) and interest thereon, the rights of the Bondholders and the performance and observance of all of the covenants contained herein and in said Series 2020 Bonds, and for and in consideration of the mutual covenants herein contained and of the purchase and acceptance of the Series 2020 Bonds by the Holders thereof, from time to time, and of the acceptance by the Trustee of the trusts hereby created, and intending to be legally bound hereby, the Issuer does hereby assign, transfer, set over and pledge to U.S. Bank National Association, as Trustee, its successors in trust and its assigns forever, and grants a lien on all of the right, title and interest of the Issuer in and to the Series 2020 Pledged Revenues as security for the payment of the principal, redemption or purchase price of (as the case may be) and interest on the Series 2020 Bonds issued hereunder, all in the manner hereinafter provided, and the Issuer further hereby agrees with and covenants unto the Trustee as follows:

**TO HAVE AND TO HOLD** the same and, to the extent the same may be lawfully granted, any other revenues, property, contracts or contract rights, accounts receivable, chattel paper, instruments, general intangibles or other rights and the proceeds thereof, which may, by delivery,

assignment or otherwise, be subject to the lien created by the Series 2020 Indenture with respect to the Series 2020 Bonds.

**IN TRUST NEVERTHELESS**, for the equal and ratable benefit and security of all present and future Holders of the Series 2020 Bonds issued and to be issued under this First Supplemental Trust Indenture, without preference, priority or distinction as to lien or otherwise (except as otherwise specifically provided in this First Supplemental Trust Indenture) of any one Series 2020 Bond over any other Series 2020 Bond, all as provided in the Series 2020 Indenture.

**PROVIDED, HOWEVER**, that if the Issuer, its successors or assigns, shall well and truly pay, or cause to be paid, or make due provision for the payment of the principal or redemption price of the Series 2020 Bonds issued, secured and Outstanding hereunder and the interest due or to become due thereon, at the times and in the manner mentioned in such Series 2020 Bonds and the Series 2020 Indenture, according to the true intent and meaning thereof and hereof, and the Issuer shall well and truly keep, perform and observe all the covenants and conditions pursuant to the terms of the Series 2020 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 hereof, then upon such final payments this First Supplemental Trust Indenture and the rights hereby granted shall cease and terminate, otherwise this First Supplemental Trust Indenture to be and remain in full force and effect.

## **ARTICLE I DEFINITIONS**

In this First Supplemental Trust Indenture capitalized terms used without definition shall have the meanings ascribed thereto in the Master Indenture and, in addition to certain terms defined in the recitals above, the following terms shall have the meanings specified below, unless otherwise expressly provided or unless the context otherwise requires:

"Acquisition Agreement" shall mean that certain Agreement by and between the District and the Series 2020 Landowner regarding the acquisition of certain work product, improvements, and/or real property dated [\_\_\_\_\_, 2020].

"Annexed Parcel" shall mean the approximately eight (8) developable units and recreation facilities comprising approximately [\_\_\_] acres immediately to the west of the District, expected to be annexed into the Existing District Lands.

"Arbitrage Certificate" shall mean that certain Arbitrage Certificate, including arbitrage rebate covenants, of the Issuer, dated [\_\_\_\_\_, 2020], relating to certain restrictions on arbitrage under the Code with respect to the Series 2020 Bonds.

"Assessment Resolutions" shall mean Resolution Nos. 2018-23, 2018-24, 2018-32 and 2020-[\_\_\_] of the Issuer adopted on July 18, 2018, July 18, 2018, September 19, 2018 and [\_\_\_\_\_, 2020], respectively, as amended and supplemented from time to time.

"Authorized Denomination" shall mean, with respect to the Series 2020 Bonds, denominations of \$5,000 and any integral multiple thereof provided, however, if any initial

beneficial owner does not purchase at least \$100,000 of the Series 2020 Bonds at the time of initial delivery of the Series 2020 Bonds, such beneficial owner must either execute and deliver to the Issuer and the Underwriter on the date of delivery of the Series 2020 Bonds the investor letter in the form attached hereto as Exhibit D or otherwise establish to the satisfaction of the Underwriter that such Beneficial Owner is an "accredited investor," as described in Rule 501(a) under Regulation D of the Securities Act of 1933, as amended.

"Close-Out Date" shall mean [\_\_\_\_ 1, 2020], the last date by which the Release Conditions must be satisfied.

"Collateral Assignment" shall mean the certain rights granted on instruments executed by the Series 2020 Landowner in favor of the Issuer whereby certain of the material documents necessary to complete the development planned by the Series 2020 Landowner are collaterally assigned as security for the Series 2020 Landowner's obligation to pay the Series 2020 Special Assessments imposed against lands within the Series 2020 Assessment Area owned by the Series 2020 Landowner from time to time.

"Completion Agreement" shall mean the Agreement between the District and the Series 2020 Landowner regarding the completion of certain improvements dated [\_\_\_\_\_, 2020].

"Conditions for Reduction of Reserve Requirement" shall mean collectively (i) the sale of all lots in the Series 2020 Assessment Area to homebuilders [unrelated to the Series 2020 Landowner or their respective affiliated entities shall have been closed], as certified by the District Manager, and (ii) there shall be no Events of Default under the Indenture with respect to the Series 2020 Bonds, as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of the Conditions for Reduction of Reserve Requirement; and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

"Continuing Disclosure Agreement" shall mean the Continuing Disclosure Agreement for the benefit of the owners of the Series 2020 Bonds, dated [\_\_\_\_\_, 2020] by and among the Issuer, the dissemination agent named therein and the Series 2020 Landowner, in connection with the issuance of the Series 2020 Bonds.

"Declaration of Consent" shall mean that certain instrument executed by the Series 2020 Landowner declaring consent to the jurisdiction of the District and the imposition of the Series 2020 Special Assessments.

"Defeasance Securities" shall mean, with respect to the Series 2020 Bonds, to the extent permitted by law, (a) cash deposits, and (b) direct obligations of the United States of America (including obligations issued or held in book entry form on the books of the Department of Treasury) which are non-callable and non-prepayable.

"District Manager" shall mean Governmental Management Services, LLC – Central Florida, LLC, and its successors and assigns.

"Engineer's Report" shall mean the North Powerline Road Community Development District Engineer's Report for Capital Improvements, prepared by Absolute Engineering, Inc., dated August 2019.

"Existing District Lands" shall mean the current 190.56 gross acres of land located within the County and partially within the City.

"Government Obligations" shall mean direct obligations of, or obligations the timely payment of principal of and interest on which are unconditionally guaranteed by, the United States of America.

"Interest Payment Date" shall mean May 1 and November 1 of each year, commencing [\_\_\_\_\_ 1, 2020], and any other date the principal of the Series 2020 Bonds is paid.

"Investment Obligations" shall mean and include any of the following securities with respect to the investment of moneys under this First Supplemental Trust Indenture:

- (i) Government Obligations;
- (ii) 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 such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing Association; Federal Home Loan Mortgage Corporation;
- (iii) money market deposit accounts, time deposits, and certificates of deposit issued by commercial banks, savings and loan associations or mutual savings banks whose short-term obligations are rated, at the time of purchase, in one of the two highest rating categories, without regard to gradation, by Moody's and S&P;
- (iv) commercial paper rated in the top two rating categories by both Moody's and S&P at the time of purchase;
- (v) municipal securities issued by any state or commonwealth of the United States or political subdivision thereof or constituted authority thereof including, but not limited to, municipal corporations, school districts and other special districts and rated A- or higher by Moody's, Fitch or S&P at the time of purchase;
- (vi) 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 money market funds by both Moody's and S&P, including those shares offered or sponsored by the Trustee, and (B) shares of money market mutual funds, including those funds offered or sponsored by the Trustee, that invest only in Government Obligations and 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 such entity); Federal Home Loan Banks; Federal Farm Credit Banks; Tennessee Valley Authority; Farmers Home Administration; Student Loan Marketing

Association; Federal Home Loan Mortgage Corporation and repurchase agreements secured by such obligations, which funds are rated in the two highest categories for such funds by both Moody's and S&P;

(vii) repurchase agreements, which will be collateralized at the onset of the repurchase agreement of at least 103% marked to market weekly by a third party acting solely as agent for the Issuer 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 Issuer and the Trustee and the provider shall at its option, within ten (10) calendar 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 Trustee and the Issuer and must at the direction of the Issuer to the Trustee, within ten (10) calendar 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 repurchase agreement provider has not satisfied the above conditions within ten (10) calendar 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 after the Trustee knows such conditions apply. Any repurchase agreement entered into pursuant to this First Supplemental Trust Indenture shall contain the following additional provisions:

- 1) Failure to maintain the requisite collateral percentage will require the District or the Trustee to liquidate the collateral as provided above;
- 2) 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);
- 3) The repurchase agreement shall state and an opinion of Counsel in form and in substance satisfactory to the Issuer shall be addressed and rendered to the Issuer 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);
- 4) 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;

5) 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 Issuer and the Trustee of any change in its long-term debt rating;

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

7) The Issuer and the Trustee shall receive the opinion of Counsel (which opinion shall be addressed to the Issuer and the Trustee and shall be in form and substance satisfactory to the Issuer) 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;

8) The term of the repurchase agreement shall be no longer than ten (10) years;

9) The interest with respect to the repurchase transaction shall be payable at the times and in the amounts necessary in order to make funds available when required under this First Supplemental Trust Indenture;

10) 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 First Supplemental Trust Indenture;

11) 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

12) The collateral delivered or transferred to the Issuer, 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 of the Holders and the Trustee. 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;

(viii) 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 two highest short-term rating categories 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, 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 Series 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 a 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 Issuer and the Trustee receive 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, respectively, the provider shall notify the Issuer 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 Issuer and the Trustee take any one of the following actions:

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

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

(C) 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

(D) 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.

(ix) 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, at the time of purchase, rated A- or better by at least two (2) of the following rating agencies: Moody's, S&P or Fitch or AA- or better by either S&P, Moody's or Fitch;

(x) 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, at the time of purchase, is rated at least "AA" by S&P (without regard to gradation) or at least "Aa" by Moody's (without regard to gradation); and

(xi) other investments permitted by Florida law and directed by the Issuer.

A certificate of an Authorized Officer directing any investment enumerated above shall constitute a representation by the Issuer that such investment is permitted under this First Supplemental Trust Indenture and is a legal investment for funds of the District, upon which the Trustee is conclusively entitled to rely.

"Majority Holders" means the Beneficial Owners of more than fifty percent (50%) in aggregate principal amount of the Outstanding Series 2020 Bonds.

"Master Indenture" shall mean the Master Trust Indenture, dated as of [\_\_\_\_ 1, 2020], by and between the Issuer and the Trustee, as supplemented and amended with respect to matters pertaining solely to the Master Indenture or the Series 2020 Bonds (as opposed to supplements or amendments relating to any Series of Bonds other than the Series 2020 Bonds as specifically defined in this First Supplemental Trust Indenture).

"Paying Agent" shall mean U.S. Bank National Association, and its successors and assigns as Paying Agent hereunder.

"Prepayment" shall mean the payment by any owner of property of the amount of Series 2020 Special Assessments encumbering its property, in whole or in part, prior to its scheduled due date, including optional prepayments. Prepayment includes the transfer of moneys from the Series 2020 Escrow Subaccount to the Series 2020 General Subaccount if the Release Conditions have not been satisfied by the Close-Out Date. The term "Prepayment" also means any proceeds received as a result of accelerating and/or foreclosing the Series 2020 Special Assessments. "Prepayments" shall include, without limitation, Series 2020 Prepayment Principal.

"Quarterly Redemption Date" shall mean each February 1, May 1, August 1, and November 1 of any calendar year.

"Redemption Price" shall mean the principal amount of any Series 2020 Bond plus the applicable premium, if any payable upon redemption thereof pursuant to this First Supplemental Trust Indenture.

"Registrar" shall mean U.S. Bank National Association and its successors and assigns as Registrar hereunder.

"Regular Record Date" shall mean the fifteenth day (whether or not a Business Day) of the calendar month next preceding each Interest Payment Date or the date on which the principal of a Bond is to be paid.

"Release Conditions" shall mean the Release Certificate and opinion of counsel to the Issuer required to be delivered pursuant to Section 4.01(a) hereof in order for the moneys in the Series 2020 Escrow Subaccount to be used for the Series 2020 Project.

"Resolution" shall mean, collectively, (i) Resolution No. 2018-25 of the Issuer adopted on June 5, 2018, pursuant to which the Issuer authorized the issuance of not exceeding \$22,000,000 aggregate principal amount of its Bonds to finance the construction or acquisition of the Series 2020 Project, and (ii) Resolution No. 2020-02 of the Issuer adopted on February 5, 2020 (the "Delegation Resolution"), rescinding and repealing Resolution No. 2019-04 previously adopted on September 11, 2019, and pursuant to which the Issuer authorized, among other things, the issuance of the Series 2020 Bonds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, specifying the details of the Series 2020 Bonds and awarding the Series 2020 Bonds to the purchasers of the Series 2020 Bonds.

"Series 2020 Acquisition and Construction Account" shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Trust Indenture.

"Series 2020 Assessment Area" shall mean the 190.56 acres of land within the District which constitutes all of the assessable land therein, currently planned for 278 single-family residences, and the recreation areas, parks, and related infrastructure.

"Series 2020 Bond Redemption Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2020 Bonds" shall mean the \$[ ] aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020, to be issued as fully registered Bonds in accordance with the provisions of the Master Indenture and this First Supplemental Trust Indenture, and secured and authorized by the Master Indenture and this First Supplemental Trust Indenture.

"Series 2020 Costs of Issuance Account" shall mean the Account so designated, established as a separate Account within the Acquisition and Construction Fund pursuant to Section 4.01(a) of this First Supplemental Trust Indenture.

"Series 2020 Escrow Subaccount" shall mean the subaccount so designated, established as a separate subaccount in the Series 2020 Acquisition and Construction Account pursuant to Section 4.01(a) of this First Supplemental Indenture.

"Series 2020 General Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2020 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2020 Indenture" shall mean collectively, the Master Indenture and this First Supplemental Trust Indenture.

"Series 2020 Interest Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(d) of this First Supplemental Trust Indenture.

"Series 2020 Landowner" shall mean [JBMI Real Estate, LLC], a Florida limited liability company, and its successors and assigns.

"Series 2020 Optional Redemption Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2020 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2020 Pledged Revenues" shall mean with respect to the Series 2020 Bonds (a) all revenues received by the Issuer from Series 2020 Special Assessments levied and collected on the assessable lands within the Series 2020 Assessment Area, benefitted by the Series 2020 Project, including, without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Series 2020 Indenture created and established with respect to or for the benefit of the Series 2020 Bonds; provided, however, that Series 2020 Pledged Revenues shall not include (A) any moneys transferred to the Series 2020 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund, and (C) "special assessments" levied and collected by the Issuer under Section 190.022 of the Act for maintenance purposes or "maintenance assessments" levied and collected by the Issuer under Section 190.021(3) of the Act (it being expressly understood that the lien and pledge of the Series 2020 Indenture shall not apply to any of the moneys described in the foregoing clauses (A), (B) and (C) of this proviso).

"Series 2020 Prepayment Principal" shall mean the portion of a Prepayment corresponding to the principal amount of Series 2020 Special Assessments being prepaid pursuant to Section 4.05 of this First Supplemental Trust Indenture or money released from the Series 2020 Escrow Subaccount, if the Release Conditions have not been satisfied by the Close-Out Date or Series 2020 Special Assessments collected as a result of an acceleration of the Series 2020 Special Assessments pursuant to Section 170.10, Florida Statutes, if such Series 2020 Special Assessments are being collected through a direct billing method.

"Series 2020 Prepayment Subaccount" shall mean the subaccount so designated, established as a separate subaccount under the Series 2020 Bond Redemption Account pursuant to Section 4.01(g) of this First Supplemental Trust Indenture.

"Series 2020 Project" shall mean the public infrastructure described on Exhibit A attached hereto benefitting the Series 2020 Assessment Area and comprising "Phase 1" as described in Exhibit A attached hereto

"Series 2020 Rebate Account" shall mean the Account so designated, established as a separate Account within the Rebate Fund pursuant to Section 4.01(j) of this First Supplemental Trust Indenture.

"Series 2020 Reserve Account" shall mean the Account so designated, established as a separate Account within the Reserve Fund pursuant to Section 4.01(f) of this First Supplemental Trust Indenture.

"Series 2020 Reserve Requirement" or "Reserve Requirement" shall (i) initially be an amount equal to the maximum annual debt service on the Series 2020 Bonds as calculated from time to time; and (ii) upon the occurrence of the Conditions for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the Series 2020 Bonds as calculated from time to time. Upon satisfaction of the Conditions for Reduction of Reserve Requirement, such excess amount shall be released from the Series 2020 Reserve Account and transferred to the Series 2020 Acquisition and Construction Account in accordance with the provisions of Sections 4.01(a) and 4.01(f) hereof. For the purpose of calculating the Series 2020 Reserve Requirement, maximum annual debt service or 50% of maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in Sections 3.01(b)(iii) and 3.01(b)(iv), and each extraordinary mandatory redemption of the Series 2020 Bonds as described in Section 3.01(b)(i) hereof (but not upon the optional or mandatory sinking fund redemption thereof) and such excess amount shall be released from the Series 2020 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2020 General Redemption Subaccount or the Series 2020 Prepayment Subaccount as applicable, in accordance with the provisions of Sections 3.01(b)(i), 3.01(b)(ii), 3.01(b)(iv), 4.01(f) and 4.05(a) hereof. Amounts on deposit in the Series 2020 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2020 Bonds be used to pay principal of and interest on the Series 2020 Bonds at that time. Initially, the Series 2020 Reserve Requirement shall be equal to \$[\_\_\_\_\_].

"Series 2020 Revenue Account" shall mean the Account so designated, established as a separate Account within the Revenue Fund pursuant to Section 4.01(b) of this First Supplemental Trust Indenture.

"Series 2020 Sinking Fund Account" shall mean the Account so designated, established as a separate Account within the Debt Service Fund pursuant to Section 4.01(e) of this First Supplemental Trust Indenture.

"Series 2020 Special Assessments" shall mean a portion of the Special Assessments levied on the assessable lands within Series 2020 Assessment Area as a result of the Issuer's acquisition and/or construction of the Series 2020 Project, corresponding in amount to the debt service on the Series 2020 Bonds and designated as such in the methodology report relating thereto.

"Substantially Absorbed" means the date at least 90% of the principal portion of the Series 2020 Special Assessments have been assigned to residential units within the District that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2020 Special Assessments are Substantially Absorbed and the Trustee may rely

conclusively upon such certification and shall have no duty to verify if the Series 2020 Special Assessments are Substantially Absorbed.

"True-Up Agreement" shall mean the Agreement dated [\_\_\_\_\_, 2020], by and between the Issuer and the Series 2020 Landowners relating to the true-up of Series 2020 Special Assessments.

"Underwriter" shall mean FMSbonds, Inc., the underwriter of the Series 2020 Bonds.

The words "hereof," "herein," "hereto," "hereby," and "hereunder" (except in the form of Series 2020 Bonds), refer to the entire Series 2020 Indenture.

Every "request," "requisition," "order," "demand," "application," "notice," "statement," "certificate," "consent," or similar action hereunder by the Issuer shall, unless the form or execution thereof is otherwise specifically provided, be in writing signed by the Chairperson or Vice Chairperson and the Treasurer or Assistant Treasurer or the Secretary or Assistant Secretary or Responsible Officer of the Issuer.

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

[END OF ARTICLE I]

## **ARTICLE II THE SERIES 2020 BONDS**

**SECTION 2.01.**     Amounts and Terms of Series 2020 Bonds; Issue of Series 2020 Bonds. No Series 2020 Bonds may be issued under this First Supplemental Trust Indenture except in accordance with the provisions of this Article and Articles II and III of the Master Indenture.

(a)     The total principal amount of Series 2020 Bonds that may be issued under this First Supplemental Trust Indenture is expressly limited to \$[\_\_\_\_\_]. The Series 2020 Bonds shall be numbered consecutively from R-1 and upwards.

(b)     Any and all Series 2020 Bonds shall be issued substantially in the form attached hereto as Exhibit B, with such appropriate variations, omissions and insertions as are permitted or required by the Series 2020 Indenture and with such additional changes as may be necessary or appropriate to conform to the provisions of the Resolution. The Issuer shall issue the Series 2020 Bonds upon execution of this First Supplemental Trust Indenture and satisfaction of the requirements of Section 3.01 of the Master Indenture; and the Trustee shall, at the Issuer's request, authenticate such Series 2020 Bonds and deliver them as specified in the request.

**SECTION 2.02.**     Execution. The Series 2020 Bonds shall be executed by the Issuer as set forth in the Master Indenture.

**SECTION 2.03.**     Authentication. The Series 2020 Bonds shall be authenticated as set forth in the Master Indenture. No Series 2020 Bond shall be valid until the certificate of authentication shall have been duly executed by the Trustee, as provided in the Master Indenture.

**SECTION 2.04.**     Purpose, Designation and Denominations of, and Interest Accruals on, the Series 2020 Bonds.

(a)     The Series 2020 Bonds are being issued hereunder in order to provide funds for the purposes of (i) paying all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2020 Bonds and (iv) paying the costs of issuance of the Series 2020 Bonds. The Series 2020 Bonds shall be designated "North Powerline Road Community Development District Special Assessment Bonds, Series 2020," and shall be issued as fully registered Bonds without coupons in Authorized Denominations.

(b)     The Series 2020 Bonds shall be dated as of the date of initial delivery. Interest on the Series 2020 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2020 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to [\_\_\_\_\_, 2020], in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date.

(c) Except as otherwise provided in Section 2.07 of this First Supplemental Trust Indenture in connection with a book entry only system of registration of the Series 2020 Bonds, the principal or Redemption Price of the Series 2020 Bonds shall be payable in lawful money of the United States of America at the designated corporate trust office of the Paying Agent upon presentation of such Series 2020 Bonds. Except as otherwise provided in Section 2.07 of this First Supplemental Trust Indenture in connection with a book entry only system of registration of the Series 2020 Bonds, the payment of interest on the Series 2020 Bonds shall be made on each Interest Payment Date to the Holders of the Series 2020 Bonds by check or draft drawn on the Paying Agent and mailed on the applicable Interest Payment Date to each Owner as such Owner appears on the Bond Register maintained by the Registrar as of the close of business on the Regular Record Date, at his address as it appears on the Bond Register. Any interest on any Series 2020 Bond which is payable, but is not punctually paid or provided for on any Interest Payment Date (hereinafter called "Defaulted Interest") shall be paid to the Owner in whose name the Series 2020 Bond is registered at the close of business on a Special Record Date to be fixed by the Trustee, such date to be not more than fifteen (15) nor less than ten (10) days prior to the date of proposed payment. The Trustee shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class, postage-prepaid, to each Owner of record as of the fifth (5th) day prior to such mailing, at his address as it appears in the Bond Register not less than ten (10) days prior to such Special Record Date. The foregoing notwithstanding, any Owner of Series 2020 Bonds in an aggregate principal amount of at least \$1,000,000 shall be entitled to have interest paid by wire transfer to such Owner to the bank account number on file with the Paying Agent, upon requesting the same in a writing received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date, which writing shall specify the bank, which shall be a bank within the continental United States, and bank account number to which interest payments are to be wired. Any such request for interest payments by wire transfer shall remain in effect until rescinded or changed, in a writing delivered by the Owner to the Paying Agent, and any such rescission or change of wire transfer instructions must be received by the Paying Agent at least fifteen (15) days prior to the relevant Record Date.

**SECTION 2.05.**      Debt Service on the Series 2020 Bonds.

(a) The Series 2020 Bonds will mature on [\_\_\_\_\_ 1] in the years and in the principal amounts, and bear interest at the rates all set forth below, subject to the right of prior redemption in accordance with their terms.

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
	\$	%

(b) Interest on the Series 2020 Bonds will be computed in all cases on the basis of a 360 day year of twelve 30 day months. Interest on overdue principal and, to the extent lawful, on overdue interest will be payable at the numerical rate of interest borne by the Series 2020 Bonds on the day before the default occurred.

**SECTION 2.06.**     Disposition of Series 2020 Bond Proceeds. From the net proceeds of the Series 2020 Bonds received by the Trustee in the amount of \$[\_\_\_\_\_] (par amount of \$[\_\_\_\_\_] , less \$[\_\_\_\_\_] of original issue discount and less underwriter's discount of \$[\_\_\_\_\_] which is retained by the underwriter of the Series 2020 Bonds):

(a)     \$[\_\_\_\_\_] , which is an amount equal to the Series 2020 Reserve Requirement, shall be deposited in the Series 2020 Reserve Account of the Debt Service Reserve Fund;

(b)     \$[\_\_\_\_\_] , shall be deposited into the Series 2020 Interest Account and applied to pay interest coming due on the Series 2020 Bonds through [\_\_\_\_] 1, 20\_\_];

(c)     \$[\_\_\_\_\_] , shall be deposited into the Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund for payment of the costs of issuing the Series 2020 Bonds;

(d)     \$[\_\_\_\_\_] shall be deposited into the Series 2020 Escrow Subaccount within the Series 2020 Acquisition and Construction Account related to the Annexed Parcel; and

(e)     \$[\_\_\_\_\_] , representing the balance of the net proceeds of the Series 2020 Bonds, shall be deposited in the Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund which the Issuer shall cause to be applied only to the payment of Costs of the Series 2020 Project in accordance with Section 4.01(a) hereof, Article V of the Master Indenture and the terms of the Acquisition Agreement; and

**SECTION 2.07.**     Book-Entry Form of Series 2020 Bonds. The Series 2020 Bonds shall be issued as one fully registered bond for each maturity of Series 2020 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants.

As long as the Series 2020 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes hereof and in the Master Indenture. The Series 2020 Bonds shall not be required to be presented for payment. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2020 Bonds ("Beneficial Owners").

Principal and interest on the Series 2020 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the Issuer.



Individuals may purchase beneficial interests in Authorized Denominations in book-entry-only form, without certificated Series 2020 Bonds, through DTC Participants and Indirect Participants.

During the period for which Cede & Co. is registered owner of the Series 2020 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners.

The Issuer and the Trustee, if appropriate, shall enter into a blanket letter of representations with DTC providing for such book-entry-only system. Such agreement may be terminated at any time by either DTC or the Issuer in accordance with the procedures of DTC. In the event of such termination, the Issuer shall select another securities depository and in that event, all references herein to DTC or Cede & Co., shall be deemed to be for reference to such successor. If the Issuer does not replace DTC, the Trustee will register and deliver to the Beneficial Owners replacement Series 2020 Bonds in the form of fully registered Series 2020 Bonds in accordance with the instructions from Cede & Co.

In the event DTC, any successor of DTC or the Issuer, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor and after such time Series 2020 Bonds may be exchanged for an equal aggregate principal amount of Series 2020 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee.

**SECTION 2.08.**     Appointment of Registrar and Paying Agent. The Issuer shall keep, at the designated corporate trust office of the Registrar, books (the "Bond Register") for the registration, transfer and exchange of the Series 2020 Bonds, and hereby appoints U.S. Bank National Association, as its Registrar to keep such books and make such registrations, transfers, and exchanges as required hereby. U.S. Bank National Association hereby accepts its appointment as Registrar and its duties and responsibilities as Registrar hereunder. Registrations, transfers and exchanges shall be without charge to the Bondholder requesting such registration, transfer or exchange, but such Bondholder shall pay any taxes or other governmental charges on all registrations, transfers and exchanges.

The Issuer hereby appoints U.S. Bank National Association as Paying Agent for the Series 2020 Bonds. U.S. Bank National Association hereby accepts its appointment as Paying Agent and its duties and responsibilities as Paying Agent hereunder.

**SECTION 2.09.**     Conditions Precedent to Issuance of the Series 2020 Bonds. In addition to complying with the requirements set forth in the Master Indenture in connection with the issuance of the Series 2020 Bonds, all the Series 2020 Bonds shall be executed by the Issuer for delivery to the Trustee and thereupon shall be authenticated by the Trustee and delivered to the Issuer or upon its order, but only upon the further receipt by the Trustee of:

- (a)     Certified copies of the Assessment Resolutions;

(b) A copy of the executed Master Indenture and an executed copy of this First Supplemental Trust Indenture;

(c) Opinions of Counsel to the District required by the Master Indenture;

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

(e) Copies of executed investor letters in the form attached hereto as Exhibit D if such investor letter is required, as determined by the Underwriter; and

(f) Executed copies of the Arbitrage Certificate, the True-Up Agreement, the Acquisition Agreement, Declaration of Consent, the Completion Agreement, the Continuing Disclosure Agreement and the Collateral Assignment.

Payment to the Trustee of the net proceeds of the Series 2020 Bonds shall be conclusive evidence that the foregoing conditions have been satisfied as to the Issuer and the Underwriter.

[END OF ARTICLE II]

### **ARTICLE III REDEMPTION OF SERIES 2020 BONDS**

**SECTION 3.01.**     Redemption Dates and Prices. The Series 2020 Bonds shall be subject to redemption at the times and in the manner provided in Article VIII of the Master Indenture and in this Article III. All payments of the Redemption Price of the Series 2020 Bonds shall be made on the dates hereinafter required. Except as otherwise provided in this Section 3.01, if less than all the Series 2020 Bonds of a maturity are to be redeemed pursuant to an extraordinary mandatory redemption, the Trustee shall select the Series 2020 Bonds or portions of the Series 2020 Bonds to be redeemed by lot. Partial redemptions of Series 2020 Bonds shall, to the extent possible, be made in such a manner that the remaining Series 2020 Bonds held by each Bondholder shall be in Authorized Denominations, except for the last remaining Series 2020 Bond.

The Series 2020 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the Redemption Price of the Series 2020 Bonds shall be made on the dates specified below. Upon any redemption of Series 2020 Bonds other than in accordance with scheduled mandatory sinking fund redemptions, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2020 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2020 Bonds in any year. In the event of a redemption or purchase occurring less than forty- five (45) days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

(a)     Optional Redemption. The Series 2020 Bonds maturing on or after [\_\_\_\_\_, 20\_\_] may, at the option of the Issuer be called for redemption prior to maturity as a whole or in part, at any time, on or after [\_\_\_\_\_, 20\_\_] (less than all Series 2020 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2020 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2020 Optional Redemption Subaccount of the Series 2020 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

(b)     Extraordinary Mandatory Redemption in Whole or in Part. The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2020 Prepayment Principal deposited into the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account following the payment in whole or in part of Series 2020 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of this First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2020 Reserve Account to the Series 2020 Prepayment Subaccount as a result of such Series 2020 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of this First Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Series 2020 Funds, Accounts and Subaccounts in the Funds and Accounts (other than the Series 2020 Rebate Fund and the Series 2020 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2020 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.;

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2020 Acquisition and Construction Account in accordance with the provisions of Section 4.01(a) hereof, not otherwise reserved to complete the Series 2020 Project and transferred to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level; and

(iv) if the Release Conditions have not been satisfied by the Close-Out Date, a portion of the Series 2020 Bonds shall be subject to extraordinary mandatory redemption on the earliest date for which proper notice of redemption can be given after the Close-Out Date from proceeds on deposit in the Series 2020 Escrow Subaccount transferred to the Series 2020 General Redemption Subaccount, plus the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement as calculated by the Issuer with respect to the Series 2020 Bonds that will be Outstanding after such extraordinary mandatory redemption date.

(c) Mandatory Sinking Fund Redemption. The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

\* Maturity.

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\* Maturity

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\* Maturity

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\* Maturity

**SECTION 3.02.** Notice of Redemption. When required to redeem Series 2020 Bonds under any provision of this First Supplemental Trust Indenture or directed to redeem Series 2020 Bonds by the Issuer, the Trustee shall give or cause to be given to Holders of the Series 2020 Bonds to be redeemed, notice of the redemption, as set forth in Article VIII of the Master Indenture.

[END OF ARTICLE III]

**ARTICLE IV**  
**ESTABLISHMENT OF CERTAIN FUNDS AND ACCOUNTS;**  
**ADDITIONAL COVENANTS OF THE ISSUER; PREPAYMENTS;**  
**REMOVAL OF SERIES 2020 SPECIAL ASSESSMENT LIENS**

**SECTION 4.01.**      Establishment of Certain Funds and Accounts.

(a) The Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2020 Acquisition and Construction Account" and a separate subaccount therein designated as the "Series 2020 Escrow Subaccount." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account and the Series 2020 Escrow Subaccount in the amounts set forth in Section 2.06 of this First Supplemental Trust Indenture, together with any moneys transferred thereto, including moneys transferred from the Series 2020 Reserve Account after satisfaction of the Conditions for Reduction of Reserve Requirement, and such moneys shall be applied as set forth in this Section 4.01(a) of this First Supplemental Trust Indenture, Section 5.01 of the Master Indenture, and the Acquisition Agreement and the Engineer's Report. Funds on deposit in the Series 2020 Acquisition and Construction Account shall only be requested by the Issuer to be applied to the Costs of the Series 2020 Project. Upon satisfaction of the Conditions for Reduction of Reserve Requirement, the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement shall then be transferred to the Series 2020 Acquisition and Construction Account and applied as provided in this Section 4.01(a). If the Release Conditions have been satisfied on or before the Close-Out Date, as evidenced by delivery of the Release Certificate (as defined below) to the Trustee, money on deposit in the Series 2020 Escrow Subaccount shall be transferred by the Trustee to the Series 2020 Acquisition and Construction Account. If the Release Conditions have not been satisfied by the Close-Out Date, moneys on deposit in the Series 2020 Escrow Subaccount shall be transferred by the Trustee to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account to be applied as provided for in Section 3.01(b)(iv).

After the Completion Date for the Series 2020 Project, any moneys remaining in the Series 2020 Acquisition and Construction Account after retaining costs to complete the Series 2020 Project, shall be transferred to the Series 2020 General Redemption Subaccount, as directed in writing by the Issuer or the District Manager, on behalf of the Issuer to the Trustee. Except as provided in Section 5.06 hereof, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, shall the Trustee withdraw moneys from the Series 2020 Acquisition and Construction Account. After no funds remain therein, the Series 2020 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the Series 2020 Acquisition and Construction Account shall not be closed until after the Conditions for Reduction of Reserve Requirement shall have occurred and the excess funds from the Series 2020 Reserve Account shall have been transferred to the Series 2020 Acquisition and Construction Account and applied in accordance with this Section 4.01(a) and Section 4.01(f) hereof. The Trustee shall not be responsible for determining the amounts in the Series 2020 Acquisition and Construction Account allocable to the respective components of the Series 2020 Project.

Pursuant to the Master Indenture, the Trustee shall establish a separate account within the Acquisition and Construction Fund designated as the "Series 2020 Costs of Issuance

Account." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Costs of Issuance Account in the amount set forth in Section 2.06 of this First Supplemental Trust Indenture. Upon presentment to the Trustee of a properly signed requisition in substantially the form attached hereto as Exhibit C, the Trustee shall withdraw moneys from the Series 2020 Costs of Issuance Account to pay the costs of issuing the Series 2020 Bonds. Six months after the issuance of the Series 2020 Bonds, any moneys remaining in the Series 2020 Costs of Issuance Account in excess of the amounts requested to be disbursed by the Issuer shall be deposited into the Series 2020 Interest Account. Any deficiency in the amount allocated to pay the cost of issuing the Series 2020 Bonds shall be paid from excess Series 2020 Pledged Revenues on deposit in the Series 2020 Revenue Account as provided in Section 4.02 FIFTH. After no funds remain therein, the Series 2020 Costs of Issuance Account shall be closed.

For purposes of this Section 4.01(a), the Issuer shall deliver to the Trustee a certificate executed by a Responsible Officer certifying that the Release Conditions identified below have been met on or before the Close-Out Date, upon which the Trustee may conclusively rely (the "Release Certificate"). The Trustee may conclusively assume that the Release Conditions have not been satisfied if it does not receive the Release Certificate by the fifth (5<sup>th</sup>) Business Day after the Close-Out Date.

For purposes of this Section 4.01(a), the Release Conditions for the Annexed Parcel (and any investment earnings thereon) related to the approximately [ ] acres planned for eight (8) residential lots and recreation facilities shall be the following, which must be delivered or accomplished prior to the Close-Out Date and evidenced by a certificate of the District Manager delivered to the Trustee, upon which the Trustee may conclusively rely:

(i) the County has approved the expansion of the District to include the [ ] acre Annexed Parcel as evidenced by a certified copy of an ordinance duly enacted by the County supplementing or amending the Original Ordinance;

(ii) the Series 2020 Special Assessments have been levied on the assessable lands within the Annexed Parcel;

(iii) the record owner of the Annexed Parcel delivers to the Issuer and the Trustee a fully executed and recorded true-up agreement, a fully executed and recorded declaration of consent to the imposition of the 2020 Special Assessments levied on the Annexed Parcel, a fully executed completion agreement, a fully executed acquisition agreement and a fully executed and recorded collateral assignment or amendments to such documents (collectively, the "Ancillary Documents") relating to the Annexed Parcel unless such Ancillary Documents were delivered in escrow on the date of delivery of the Series 2020 Bonds in which case evidence that the true-up agreement, the declaration of consent to the imposition of the 2020 Special Assessments levied on the Annexed Parcel and the collateral assignment or amendments to such documents incorporating the Annexed Parcel have been recorded; and

(iv) Counsel to the Issuer delivers an opinion addressed to the Issuer, the Trustee and the Underwriter that the Series 2020 Special Assessments are a legal, valid and binding lien on the assessable lands within the Annexed Parcel, co-equal with the lien of all state, county, district and municipal taxes, and that any new or amended Ancillary Documents are legal, valid



and binding enforceable obligations of the Issuer unless the opinion of counsel to Issuer delivered at the time the Series 2020 Bonds are delivered covered such Ancillary Documents. The Trustee may conclusively rely on such opinion.

(b) Pursuant to Section 6.03 of the Master Indenture, the Trustee shall establish a separate Account within the Revenue Fund designated as the "Series 2020 Revenue Account." Series 2020 Special Assessments (except for Prepayments of Series 2020 Special Assessments which shall be identified as such by the Issuer to the Trustee and deposited in the Series 2020 Prepayment Subaccount) shall be deposited by the Trustee into the Series 2020 Revenue Account which shall be applied as set forth in Section 6.03 of the Master Indenture and Section 4.02 of this First Supplemental Trust Indenture. The Trustee may conclusively rely that unless expressly indicated in writing by the District as a Prepayment upon deposit thereof with the Trustee, payments of Series 2020 Special Assessments are to be deposited into the Series 2020 Revenue Account.

(c) [RESERVED].

(d) Pursuant to Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Trust Indenture, the Trustee shall establish a separate Account within the Debt Service Fund designated as the "Series 2020 Interest Account." Moneys deposited into the Series 2020 Interest Account pursuant to Section 6.04 of the Master Indenture and Sections 2.08 and 4.02 of this First Supplemental Trust Indenture, shall be applied for the purposes provided therein and used to pay interest on the Series 2020 Bonds.

(e) Pursuant to Section 6.04 of the Master Indenture, the Trustee shall establish a separate account within the Debt Service Fund designated as the "Series 2020 Sinking Fund Account." Moneys shall be deposited into the Series 2020 Sinking Fund Account as provided in Section 6.04 of the Master Indenture and Section 4.02 of this First Supplemental Trust Indenture, and applied for the purposes provided therein and in Section 3.01(c) of this First Supplemental Trust Indenture.

(f) Pursuant to Section 6.05 of the Master Indenture, the Trustee shall establish a separate Account within the Debt Service Reserve Fund designated as the "Series 2020 Reserve Account." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Reserve Account in the amount set forth in Section 2.06 of this First Supplemental Trust Indenture, and such moneys, together with any other moneys deposited into the Series 2020 Reserve Account shall be applied for the purposes provided in the Master Indenture and in this Section 4.01(f) and Section 4.05 of this First Supplemental Trust Indenture. Notwithstanding any provisions in the Master Indenture to the contrary, the Issuer covenants not to substitute the cash and Investment Obligations on deposit in the Series 2020 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Series 2020 Reserve Account shall remain on deposit therein.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2020 Reserve Account and transfer any excess therein above the Series 2020 Reserve

Requirement caused by investment earnings to the Series 2020 Revenue Account in accordance with Section 4.02 hereof.

Subject to the provisions of Section 4.05 hereof, on any date the Issuer receives notice from the District Manager that a landowner wishes to prepay its Series 2020 Special Assessments relating to the benefited property of such landowner within the Series 2020 Assessment Area, or as a result of a mandatory true-up payment, the Issuer shall, or cause the District Manager, on behalf of the Issuer, to calculate the principal amount of such Prepayment taking into account a credit against the amount of Series 2020 Prepayment Principal due by the amount of money in the Series 2020 Debt Service Reserve Account that will be in excess of the Series 2020 Reserve Requirement for the Series 2020 Bonds, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the Issuer, shall make such calculation within ten (10) Business Days after such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2020 Bonds in accordance with Section 3.01(b)(i) hereof. The Trustee is authorized to make such transfers and has no duty to verify such calculations. Notwithstanding any of the foregoing, amounts on deposit in the Series 2020 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2020 Bonds to the Series 2020 General Redemption Subaccount, if as a result of the application of Article X of the Master Indenture, the proceeds received from lands sold subject to the Series 2020 Special Assessments and applied to redeem a portion of the Series 2020 Bonds is less than the principal amount of Series 2020 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Series 2020 Reserve Account pursuant to this paragraph, if the amount on deposit is not sufficient to redeem a principal amount of the Series 2020 Bonds in an Authorized Denomination, the Trustee shall be authorized to withdraw amounts from the Series 2020 Revenue Account to round-up to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2020 Revenue Account shall be made to pay interest on and/or principal for the Series 2020 Bonds for the redemption pursuant to Section 3.01(b)(i) if as a result the deposits required under Section 4.02 FIRST through FIFTH cannot be made in full.

(g) Pursuant to Section 6.06 of the Master Indenture, the Trustee shall establish a separate Series Bond Redemption Account within the Bond Redemption Fund designated as the "Series 2020 Bond Redemption Account" and within such Account, a "Series 2020 General Redemption Subaccount," a "Series 2020 Optional Redemption Subaccount," and a "Series 2020 Prepayment Subaccount." Except as otherwise provided in this First Supplemental Trust Indenture regarding Prepayments or in connection with the optional redemption of the Series 2020 Bonds, moneys to be deposited into the Series 2020 Bond Redemption Account as provided in Section 6.06 of the Master Indenture, shall be deposited to the Series 2020 General Redemption Subaccount.

(h) Moneys that are deposited into the Series 2020 General Redemption Subaccount (including all earnings on investments held therein) shall be used to call for the

extraordinary mandatory redemption (i) in whole, pursuant to Section 3.01(b)(ii) hereof, the Outstanding amount of Series 2020 Bonds, or (ii) in whole or in part pursuant to Sections 3.01(b)(iii) and (iv) hereof.

(i) Moneys in the Series 2020 Prepayment Subaccount (including all earnings on investments held in such Series 2020 Prepayment Subaccount) shall be accumulated therein to be used to call for redemption pursuant to Section 3.01(b)(i) hereof an amount of Series 2020 Bonds equal to the amount of money transferred to the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account for the purpose of such extraordinary mandatory redemption on the dates and at the price provided in such Section 3.01(b)(i) hereof.

(j) The Issuer hereby directs the Trustee to establish a separate account in the Rebate Fund designated as the "Series 2020 Rebate Account." Moneys shall be deposited into the Series 2020 Rebate Account, as provided in the Arbitrage Certificate and applied for the purposes provided therein.

(k) Moneys on deposit in the Series 2020 Optional Redemption Subaccount shall be used to optionally redeem all or a portion of the Series 2020 Bonds pursuant to Section 3.01(a) hereof.

**SECTION 4.02.** Series 2020 Revenue Account. The Trustee shall transfer from amounts on deposit in the Series 2020 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each Interest Payment Date, commencing [\_\_\_\_\_, 201\_], to the Series 2020 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2020 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2020 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [\_\_\_\_\_] 1, commencing [\_\_\_\_\_] 1, 20\_\_, to the Series 2020 Sinking Fund Account, an amount equal to the principal amount of Series 2020 Bonds subject to sinking fund redemption on such [\_\_\_\_\_] 1, less any amount on deposit in the Series 2020 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2020 Bonds remain Outstanding, to the Series 2020 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2020 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2020 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer from the Series 2020 Revenue Account to the Series 2020 Interest Account, the amount necessary to pay interest on the Series 2020 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2020 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2020 Bonds and next, any balance in the Series 2020 Revenue Account shall remain on deposit in such Series 2020 Revenue Account, unless needed for the purposes of rounding the principal amount of a Series 2020 Bond subject to Extraordinary Mandatory Redemption pursuant to Section 4.01(f), hereof to an Authorized Denomination or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2020 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

**SECTION 4.03.**     Power to Issue Series 2020 Bonds and Create Lien. The Issuer is duly authorized under the Act and all applicable laws of the State to issue the Series 2020 Bonds, to execute and deliver the Series 2020 Indenture and to pledge the Series 2020 Pledged Revenues for the benefit of the Series 2020 Bonds to the extent set forth herein. The Series 2020 Pledged Revenues are not and shall not be subject to any other lien senior to or on a parity with the lien created in favor of the Series 2020 Bonds, except as otherwise permitted under the Master Indenture and Section 5.04 hereof. The Series 2020 Bonds and the provisions of the Series 2020 Indenture are and will be valid and legally enforceable obligations of the Issuer in accordance with their respective terms. The Issuer shall, at all times, to the extent permitted by law, defend, preserve and protect the pledge created by the Series 2020 Indenture and all the rights of the Holders of the Series 2020 Bonds under the Series 2020 Indenture against all claims and demands of all persons whomsoever.

**SECTION 4.04.**     Series 2020 Project to Conform to Consulting Engineers Report. Simultaneously with the issuance of the Series 2020 Bonds, the Issuer will promptly proceed to construct or acquire the Series 2020 Project, as described in Exhibit A hereto and in the Consulting Engineers Report relating thereto, all pursuant to the terms and provisions of the Acquisition Agreement.

**SECTION 4.05.**     Prepayments; Removal of Series 2020 Special Assessment Liens.

(a) At any time any owner of property subject to the Series 2020 Special Assessments may, at its option, or as a result of acceleration of the Series 2020 Special Assessments because of non-payment thereof, shall, or by operation of law, require the Issuer to reduce or release and extinguish the lien upon its property by virtue of the levy of the Series 2020 Special Assessments by paying or causing there to be paid, to the Issuer all or a portion of the Series 2020 Special Assessment, which shall constitute Series 2020 Prepayment Principal, plus, except as provided below, accrued interest to the next succeeding Quarterly Redemption Date (or the first succeeding Quarterly Redemption Date that is at least 45 days after such prepayment, if such Prepayment is made within 45 calendar days before the next succeeding Quarterly Redemption Date, as the case may be), attributable to the property subject to Series 2020 Special Assessments owned by such owner. To the extent that such prepayments are to be used to redeem Series 2020 Bonds pursuant to Section 3.01(b)(i) hereof, in the event the amount on deposit in the Series 2020 Reserve Account will exceed the Series 2020 Reserve Requirement for the Series 2020 Bonds as a result of a prepayment in accordance with this Section 4.05(a) and the resulting extraordinary mandatory redemption in accordance with Section 3.01(b)(i) of this First

Supplemental Trust Indenture of Series 2020 Bonds, the excess amount shall be transferred from the Series 2020 Reserve Account to the Series 2020 Prepayment Subaccount, as a credit against the Series 2020 Prepayment Principal otherwise required to be paid by the owner of such lot or parcel, upon written instructions of the Issuer to the Trustee together with a certificate of a Responsible Officer of the Issuer, upon which the Trustee may conclusively rely, stating that, after giving effect to such transfers sufficient moneys will be on deposit in the Series 2020 Reserve Account to equal or exceed the Series 2020 Reserve Requirement. In the event a portion of the Series 2020 Bonds is redeemed pursuant to Section 3.01(b)(iv) from moneys on deposit in the Series 2020 Escrow Subaccount, any moneys transferred from the Series 2020 Reserve Account in connection with such extraordinary mandatory redemption shall not constitute a credit against such Series 2020 Prepayment Principal.

(b) Upon receipt of Series 2020 Prepayment Principal as described in paragraph (a) above, subject to satisfaction of the conditions set forth therein, the Issuer shall immediately pay the amount so received to the Trustee, and the Issuer shall take such action as is necessary to record in the official improvement lien book of the District that the Series 2020 Special Assessment has been paid in whole or in part and that such Series 2020 Special Assessment lien is thereby reduced, or released and extinguished, as the case may be.

The Trustee may conclusively rely on the Issuer's determination of what moneys constitute Prepayments. The Trustee shall calculate the amount available for the extraordinary mandatory redemption of the applicable Series 2020 Bonds pursuant to Section 3.01(b)(i), forty-five (45) days prior to each Quarterly Redemption Date.

[END OF ARTICLE IV]

**ARTICLE V**  
**COVENANTS AND DESIGNATIONS OF THE ISSUER**

**SECTION 5.01.**     Collection of Series 2020 Special Assessments. The Series 2020 Special Assessments levied for each full year on platted lots shall be collected pursuant to the uniform method provided for in Sections 197.3632 and 197.3635 Florida Statutes, (the "Uniform Method") unless the District determines that it is in its best interests to collect directly. The Series 2020 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method unless the District determines that it is in its best interests to do so. Prior to an Event of Default, the election to collect and enforce Series 2020 Special Assessments in any year pursuant to any one method shall not, to the extent permitted by law, preclude the District from electing to collect and enforce Series 2020 Special Assessments pursuant to any other method permitted by law in any subsequent year. Following an Event of Default, Series 2020 Special Assessments levied on platted lots shall be collected pursuant to the Uniform Method and Series 2020 Special Assessments levied on unplatted lots or lands shall be billed and collected directly by the District pursuant to the Act and Chapters 170 and 197, Florida Statutes, and not pursuant to the Uniform Method, in each case unless the Trustee, acting at the direction of the Majority Holders of the Series 2020 Bonds Outstanding, provides written consent to a different method of collection. All Series 2020 Special Assessments that are billed and 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; provided, however, that such Series 2020 Special Assessments shall not be deemed to be delinquent unless and until they are not paid by the applicable Interest Payment Date with respect to which they have been billed.2020

**SECTION 5.02.**     Continuing Disclosure. Contemporaneously with the execution and delivery hereof, the Issuer and the Series 2020 Landowner have executed and delivered a Continuing Disclosure Agreement in order to assist the Underwriter in complying with the requirements of Rule 15c2-12 promulgated under the Securities and Exchange Act of 1934. The Issuer covenants and agrees to comply with the provisions of the Continuing Disclosure Agreement applicable to it; however, as set forth therein, failure to so comply shall not constitute an Event of Default hereunder, but shall instead be enforceable by mandamus or any other means of specific performance.

**SECTION 5.03.**     Investment of Funds and Accounts. The provisions of Section 7.02 of the Master Indenture shall apply to the investment and reinvestment of moneys in the Series 2020 funds, accounts and subaccounts therein created hereunder.

**SECTION 5.04.**     Additional Bonds. The Issuer covenants not to issue any other Bonds or other debt obligations secured by the Series 2020 Special Assessments. In addition, the Issuer covenants not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments on the assessable lands within the Series 2020 Assessment Area that are subject to the Series 2020 Special Assessments, until the Series 2020 Special Assessments are Substantially Absorbed. The District shall present the Trustee with a certification that the Series 2020 Special Assessments are Substantially Absorbed and the Trustee may rely conclusively upon such certification and shall have no duty to verify if the Series 2020 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to

assume that the Series 2020 Special Assessments have not been Substantially Absorbed. Such covenant shall not prohibit the Issuer from issuing refunding Bonds or any Bonds or other obligations for District Lands outside of the Series 2020 Assessment Area, to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2020 Project.

**SECTION 5.05.**     Requisite Holders for Direction or Consent. Anything in the Master Indenture to the contrary notwithstanding, any direction or consent or similar provision which requires fifty-one percent of the Holders, shall in each case be deemed to refer to, and shall mean, the Majority Holders.

**SECTION 5.06.**     Acknowledgement Regarding Series 2020 Acquisition and Construction Account Moneys Following an Event of Default. In accordance with the provisions of the Series 2020 Indenture, the Series 2020 Bonds are payable solely from the Series 2020 Pledged Revenues and any other moneys held by the Trustee under the Series 2020 Indenture for such purpose. Anything in the Series 2020 Indenture to the contrary notwithstanding, the Issuer hereby acknowledges that, upon the occurrence of an Event of Default with respect to the Series 2020 Bonds, (i) the Series 2020 Pledged Revenues includes, without limitation, all amounts on deposit in the Series 2020 Acquisition and Construction then held by the Trustee, (ii) the Series 2020 Pledged Revenues may not be used by the Issuer (whether to pay costs of the Series 2020 Project or otherwise) without the consent of the Majority Holders and (iii) the Series 2020 Pledged Revenues may be used by the Trustee, at the direction or with the approval of the Majority Holders, to pay costs and expenses incurred in connection with the pursuit of remedies under the Series 2020 Indenture, provided, however notwithstanding anything herein to the contrary the Trustee is also authorized to utilize the Series 2020 Pledged Revenues to pay fees and expenses as provided in Section 10.12 of the Master Indenture.

[END OF ARTICLE V]

**ARTICLE VI**  
**THE TRUSTEE; THE PAYING AGENT AND REGISTRAR**

**SECTION 6.01.**     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 Series 2020 Indenture. The Trustee agrees to act as Paying Agent, Registrar and Authenticating Agent for the Series 2020 Bonds.

**SECTION 6.02.**     Trustee's Duties. The Trustee shall not be responsible in any manner for the due execution of this First Supplemental Trust Indenture by the Issuer or for the recitals contained herein (except for the certificate of authentication on the Series 2020 Bonds), all of which are made solely by the Issuer. Nothing contained herein shall limit the rights, benefits, privileges, protection and entitlement inuring to the Trustee under the Master Indenture.

[END OF ARTICLE VI]



## **ARTICLE VII MISCELLANEOUS PROVISIONS**

**SECTION 7.01.**     Interpretation of First Supplemental Trust Indenture. This First Supplemental Trust Indenture amends and supplements the Master Indenture with respect to the Series 2020 Bonds, and all of the provisions of the Master Indenture, to the extent not inconsistent herewith, are incorporated in this First Supplemental Trust Indenture by reference. To the maximum extent possible, the Master Indenture and the First Supplemental Trust Indenture shall be read and construed as one document.

**SECTION 7.02.**     Amendments. Any amendments to this First Supplemental Trust Indenture shall be made pursuant to the provisions for amendment contained in the Master Indenture.

**SECTION 7.03.**     Counterparts. This First Supplemental Trust 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 7.04.**     Appendices and Exhibits. Any and all schedules, appendices or exhibits referred to in and attached to this First Supplemental Trust Indenture are hereby incorporated herein and made a part of this First Supplemental Trust Indenture for all purposes.

**SECTION 7.05.**     Payment Dates. In any case in which an Interest Payment Date or the maturity date of the Series 2020 Bonds or the date fixed for the redemption of any Series 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 7.06.**     No Rights Conferred on Others. Nothing herein contained shall confer any right upon any Person other than the parties hereto and the Holders of the Series 2020 Bonds, and no other person is intended to be a third party beneficiary hereof to be entitled to assert or preserve any claim hereunder.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

**IN WITNESS WHEREOF**, North Powerline Road Community Development District has caused this First Supplemental Trust Indenture to be executed by the Chairperson of its Board of Supervisors and its corporate seal to be hereunto affixed and attested by the Secretary of its Board of Supervisors and U.S. Bank National Association has caused this First Supplemental Trust Indenture to be executed by one of its authorized signatories, all as of the day and year first above written.

[SEAL]

Attest:

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

By: \_\_\_\_\_  
Name: Jill Burns  
Title: Secretary, Board of Supervisors

By: \_\_\_\_\_  
Name: Warren K. Heath  
Title: Chairperson, Board of Supervisors

**U.S. BANK NATIONAL ASSOCIATION,**  
as Trustee, Paying Agent and Registrar

By: \_\_\_\_\_  
Name: Stacey L. Johnson  
Title: Vice President

## EXHIBIT A

### DESCRIPTION OF SERIES 2020 PROJECT

The Series 2020 Project includes, but is not limited to, the following improvements:

<b><u>Infrastructure</u></b>	<b><u>Phase 1</u> <u>(278 Lots)</u> <u>2019-2023</u></b>	<b><u>Phase 2</u> <u>(95 Lots)</u> <u>2019-2024</u></b>	<b><u>Phase 3</u> <u>(212 Lots)</u> <u>2020-2025</u></b>	<b><u>Total</u> <u>(585 Lots)</u></b>
Offsite Improvements <sup>(1)(5)(7)(11)</sup>	\$ 140,000.00	\$ 42,000.00	\$ 98,000.00	\$ 280,000.00
Stormwater Management <sup>(1)(2)(3)(5)(6)(7)</sup>	3,325,000.00	1,150,000.00	2,980,000.00	7,455,000.00
Utilities (Water, Sewer, & Street Lighting) <sup>(1)(5)(7)(9)(11)</sup>	1,965,000.00	575,000.00	1,375,000.00	3,915,000.00
Roadway <sup>(1)(4)(5)(7)</sup>	1,250,000.00	750,000.00	1,065,000.00	3,065,000.00
Entry Feature <sup>(1)(7)(8)(9)(11)</sup>	100,000.00	30,000.00	70,000.00	200,000.00
Parks and Amenities <sup>(1)(7)(11)</sup>	420,000.00	126,000.00	294,000.00	840,000.00
Contingency <sup>(11)</sup>	335,000.00	135,000.00	280,000.00	750,000.00
<b>TOTAL</b>	<b>\$7,535,000.00</b>	<b>\$2,808,000.00</b>	<b>\$6,162,000.00</b>	<b>\$16,505,000.00</b>

Notes:

1. Infrastructure consists of public roadway improvements, Stormwater management facilities, master sanitary sewer lift station and utilities, entry feature, landscaping and signage, and public neighborhood parks, all of which will be located on land owned by or subject to a permanent easement in favor of the District or another governmental entity.
2. Excludes grading of each lot in conjunction with home construction, which will be provided by home builder.
3. Includes Stormwater pond excavation. Does not include the cost of transportation of fill for use of private lots.
4. Includes sub-grade, base, asphalt paving, curbing, and civil/site engineering.
5. Includes subdivision infrastructure and civil/site engineering.
6. Stormwater does not include grading associated with building pads.
7. Estimates are based on 2019 cost.
8. Includes entry features, signage, hardscape, landscape, irrigation and fencing.
9. CDD will enter into a Lighting Agreement with Duke Energy for the street light poles and lighting service. Includes only the cost of undergrounding.
10. Estimates based on 585 lots.
11. The costs associated with the infrastructure are a master cost and is effectively shared by the entire project (All phases).

Source: North Powerline Road Community Development District Engineer's Report for Capital Improvements Amended and Restated dated August 2019, prepared by Absolute Engineering, Inc.

**EXHIBIT B**

[FORM OF SERIES 2020 BOND]

R-\_\_

\$[\_\_\_\_\_]

**UNITED STATES OF AMERICA  
STATE OF FLORIDA  
CITY OF DAVENPORT, FLORIDA  
NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
SPECIAL ASSESSMENT BOND, SERIES 2020**

<u>Interest Rate</u>	<u>Maturity Date</u>	<u>Date of Original Issuance</u>	<u>CUSIP</u>
_____%	[____ 1, 20__]	[_____, 2020]	_____

Registered Owner: CEDE & CO.

Principal Amount:

KNOW ALL PERSONS BY THESE PRESENTS that the North Powerline Road Community Development District (the "Issuer"), for value received, hereby promises to pay to the registered owner shown above or registered assigns, on the date specified above, from the sources hereinafter mentioned, the Principal Amount set forth above (with interest thereon at the Interest Rate per annum set forth above, computed on 360-day year of twelve 30-day months), said principal payable on the Maturity Date set forth above. Principal of and interest on this Bond are payable by U.S. Bank National Association, in Orlando, Florida, as paying agent (said U.S. Bank National Association and/or any bank or trust company to become successor paying agent being herein called the "Paying Agent") made payable to the registered owner and mailed on each Interest Payment Date commencing [\_\_\_\_ 1, 20\_\_], to the address of the registered owner as such name and address shall appear on the registry books of the Issuer maintained by U.S. Bank National Association, as Registrar (said U.S. Bank National Association and any successor Registrar being herein called the "Registrar") at the close of business on the fifteenth day of the calendar month preceding each interest payment date or the date on which the principal of a Bond is to be paid (the "Record Date"), provided, however presentation is not required for payment while the Series 2020 Bonds are registered in book-entry only form. Such interest shall be payable from the most recent interest payment date next preceding the date of authentication hereof to which interest has been paid, unless the date of authentication hereof is a May 1 or November 1 to which interest has been paid, in which case from the date of authentication hereof, or unless such date of authentication is prior to [\_\_\_\_ 1, 20\_\_], in which case from the date of initial delivery, or unless the date of authentication hereof is between a Record Date and the next succeeding interest payment date, in which case from such interest payment date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on such Record Date and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Paying Agent, notice whereof shall be given to Bondholders of record as of the fifth (5th) day prior to such mailing, at their registered addresses, not less than ten (10) days prior to such Special Record Date, or may be paid, at any time in any other lawful manner, as more fully provided in

the Series 2020 Indenture (defined below). Any capitalized term used in this Bond and not otherwise defined shall have the meaning ascribed to such term in the Series 2020 Indenture.

THE SERIES 2020 BONDS ARE LIMITED OBLIGATIONS OF THE ISSUER PAYABLE SOLELY OUT OF THE PLEDGED REVENUES PLEDGED THEREFOR UNDER THE SERIES 2020 INDENTURE AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE ISSUER, THE CITY OF DAVENPORT, FLORIDA (THE "CITY"), POLK COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2020 BONDS, EXCEPT THAT THE ISSUER IS OBLIGATED UNDER THE SERIES 2020 INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION, SERIES 2020 SPECIAL ASSESSMENTS (AS DEFINED IN THE SERIES 2020 INDENTURE) TO SECURE AND PAY THE SERIES 2020 BONDS. THE SERIES 2020 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE ISSUER, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Series 2020 Indenture until it shall have been authenticated by execution of the Trustee, or such other authenticating agent as may be appointed by the Trustee under the Series 2020 Indenture, of the certificate of authentication endorsed hereon.

This Bond is one of an authorized issue of Series 2020 Bonds of the North Powerline Road Community Development District, a community development district duly created, organized and existing under Chapter 190, Florida Statutes (the Uniform Community Development District Act of 1980), as amended (the "Act"), Resolution No. 387-18 of the City Commission of the City of Davenport, Florida on March 19, 2018 and Ordinance No. 18-036 of the Board of County Commissioners of Polk County, Florida on June 5, 2018, designated as "North Powerline Road Community Development District Special Assessment Bonds, Series 2020" (the "Series 2020 Bonds"), in the aggregate principal amount of [\_\_\_\_\_] and 00/100 Dollars (\$[\_\_\_\_\_] .00) of like date, tenor and effect, except as to number. The Series 2020 Bonds are being issued under authority of the laws and Constitution of the State of Florida, including particularly the Act, to pay, among other things, the costs of constructing and/or acquiring a portion of the Series 2020 Project (as defined in the herein referred to Series 2020 Indenture). The Series 2020 Bonds shall be issued as fully registered Series 2020 Bonds in authorized denominations, as set forth in the Series 2020 Indenture. The Series 2020 Bonds are issued under and secured by a Master Trust Indenture dated as of [\_\_\_\_\_] **1, 2020**] (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of [\_\_\_\_\_] **1, 2020**] (the "First Supplemental Trust Indenture" and together with the Master Indenture, the "Series 2020 Indenture"), each by and between the Issuer and the Trustee, executed counterparts of which are on file at the designated corporate trust office of the Trustee in Orlando, Florida.

Reference is hereby made to the Series 2020 Indenture for the provisions, among others, with respect to the custody and application of the proceeds of the Series 2020 Bonds issued under the Series 2020 Indenture, the operation and application of the Series 2020 Reserve Account within the Reserve Fund and other Funds and Accounts (each as defined in the Series 2020 Indenture)

charged with and pledged to the payment of the principal of and the interest on the Series 2020 Bonds, the levy and the evidencing and certifying for collection, of the Series 2020 Special Assessments, the nature and extent of the security for the Series 2020 Bonds, the terms and conditions on which the Series 2020 Bonds are issued, the rights, duties and obligations of the Issuer and of the Trustee under the Series 2020 Indenture, the conditions under which such Series 2020 Indenture may be amended without the consent of the registered owners of the Series 2020 Bonds, the conditions under which such Series 2020 Indenture may be amended with the consent of the registered owners of a majority in aggregate principal amount of the Series 2020 Bonds outstanding, and as to other rights and remedies of the registered owners of the Series 2020 Bonds.

It is expressly agreed by the owner of this Bond that such owner shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer, the City, the County, the State or any other political subdivision thereof, or taxation in any form of any real or personal property of the Issuer, the City, the County, the State or any other political subdivision thereof, for the payment of the principal of and interest on this Bond or the making of any other sinking fund and other payments provided for in the Series 2020 Indenture, except for Series 2020 Special Assessments to be assessed and levied by the Issuer as set forth in the Series 2020 Indenture.

By the acceptance of this Bond, the owner hereof assents to all the provisions of the Series 2020 Indenture.

This Bond is payable from and secured by Series 2020 Pledged Revenues, as such term is defined in the Series 2020 Indenture, all in the manner provided in the Series 2020 Indenture. The Series 2020 Indenture provides for the levy and the evidencing and certifying, of non-ad valorem assessments in the form of Series 2020 Special Assessments to secure and pay the Series 2020 Bonds.

The Series 2020 Bonds are subject to redemption prior to maturity in the amounts, at the times and in the manner provided below. All payments of the redemption price of the Series 2020 Bonds shall be made on the dates specified below. Upon any redemption of Series 2020 Bonds other than in accordance with scheduled mandatory sinking fund redemption, the Issuer shall cause to be recalculated and delivered to the Trustee revised mandatory sinking fund redemption amounts recalculated so as to amortize the Outstanding principal amount of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2020 Bonds. The mandatory sinking fund redemption amounts as so recalculated shall not result in an increase in the aggregate of the mandatory sinking fund redemption amounts for all Series 2020 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a mandatory sinking fund redemption payment is due, the foregoing recalculation shall not be made to the mandatory sinking fund redemption amounts due in the year in which such redemption or purchase occurs, but shall be made to the mandatory sinking fund redemption amounts for the immediately succeeding and subsequent years.

### Optional Redemption

The Series 2020 Bonds maturing on or after [\_\_\_\_\_ 1, 20\_\_] may, at the option of the Issuer be called for redemption prior to maturity as a whole or in part, at any time, on or after [\_\_\_\_\_ 1, 20\_\_] (less than all Series 2020 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2020 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2020 Optional Redemption Subaccount of the Series 2020 Bond Redemption Account. If such optional redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

### Extraordinary Mandatory Redemption in Whole or in Part

The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the Issuer in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) From Series 2020 Prepayment Principal deposited into the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account following the payment in whole or in part of Series 2020 Special Assessments on any assessable property within the District in accordance with the provisions of Section 4.05(a) of the First Supplemental Trust Indenture, together with any excess moneys transferred by the Trustee from the Series 2020 Reserve Account to the Series 2020 Prepayment Subaccount as a result of such Series 2020 Prepayment and pursuant to Sections 4.01(f) and 4.05(a) of the First Supplemental Trust Indenture. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

(ii) From moneys, if any, on deposit in the Series 2020 Funds, Accounts and Subaccounts in the Funds and Accounts (other than the Series 2020 Rebate Fund and the Series 2020 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2020 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture.

(iii) Upon the Completion Date, from any funds remaining on deposit in the Series 2020 Acquisition and Construction Account not otherwise reserved to complete the Series 2020 Project and transferred to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

(iv) if the Release Conditions have not been satisfied by the Close-Out Date, a portion of the Series 2020 Bonds shall be subject to extraordinary mandatory redemption on the

earliest date for which proper notice of redemption can be given after the Close-Out Date from proceeds on deposit in the Series 2020 Escrow Subaccount transferred to the Series 2020 General Redemption Subaccount, plus the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement as calculated by the Issuer with respect to the Series 2020 Bonds that will be Outstanding after such extraordinary mandatory redemption date.

#### Mandatory Sinking Fund Redemption

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\* Maturity.

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\* Maturity.

The Series 2020 Bonds maturing on [\_\_\_\_\_] 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.



	<b>Mandatory Sinking Fund</b>
<b><u>Year</u></b>	<b><u>Redemption Amount</u></b>
	\$

\*

---

\* Maturity.

The Series 2020 Bonds maturing on [\_\_\_\_\_ 1, 20\_\_] are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on [\_\_\_\_\_] 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

	<b>Mandatory Sinking Fund</b>
<b><u>Year</u></b>	<b><u>Redemption Amount</u></b>
	\$

\*

---

\* Maturity.

Except as otherwise provided in the Series 2020 Indenture, if less than all of the Series 2020 Bonds subject to redemption shall be called for redemption, the particular such Series 2020 Bonds or portions of such Series 2020 Bonds to be redeemed shall be selected by lot by the Registrar as provided in the Series 2020 Indenture.

Notice of each redemption of the Series 2020 Bonds is required to be mailed by the Registrar, postage prepaid, not less than thirty (30) nor more than sixty (60) days prior to the redemption date to each Registered Owner of the Series 2020 Bonds to be redeemed at the address of such Registered Owner recorded on the bond register maintained by the Registrar. The Issuer may provide that the any optional redemption of Series 2020 Bonds issued under the Series 2020

Indenture may be subject to certain conditions; provided that the notice of such conditional optional redemption must expressly state that such optional redemption is conditional and describe the conditions for such redemption. On the date designated for redemption, notice having been given and money for the payment of the Redemption Price being held by the Paying Agent, all as provided in the Series 2020 Indenture, the Series 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 Series 2020 Bonds or such portions thereof on such date, interest on such Series 2020 Bonds or such portions thereof so called for redemption shall cease to accrue, such Series 2020 Bonds or such portions thereof so called for redemption shall cease to be entitled to any benefit or security under the Series 2020 Indenture and the Owners thereof shall have no rights in respect of such Series 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 Registrar to certain registered securities depositories and information services as set forth in the Series 2020 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 Bond shall have no right to enforce the provisions of the Series 2020 Indenture or to institute action to enforce the covenants therein, or to take any action with respect to any Event of Default under the Series 2020 Indenture, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Series 2020 Indenture.

In certain events, on the conditions, in the manner and with the effect set forth in the Series 2020 Indenture, the principal of all the Series 2020 Bonds then Outstanding under the Series 2020 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 Series 2020 Indenture or of any Series 2020 Indenture supplemental thereto may be made only to the extent and in the circumstances permitted by the Series 2020 Indenture.

Any moneys held by the Trustee or Paying Agent in trust for the payment and discharge of any Bond which remain unclaimed for three (3) years after the date when such Bond has become due and payable, either at its stated maturity date or by call for earlier redemption shall be paid to the Issuer, thereupon and thereafter no claimant shall have any rights against the Trustee or Paying Agent to or in respect of such moneys.

If the Issuer deposits or causes to be deposited with the Trustee funds or Federal Securities (as defined in the Master Indenture) sufficient to pay the principal or Redemption Price of any the Series 2020 Bonds becoming due at maturity or by call for redemption in the manner set forth in the Series 2020 Indenture, together with the interest accrued to the due date or date of redemption as applicable, the lien of such Series 2020 Bonds as to the Trust Estate with respect to the Series 2020 Bonds shall be discharged, except for the rights of the Owners thereof with respect to the funds so deposited as provided in the Series 2020 Indenture.

This Bond shall have all the qualities and incidents, including negotiability, of investment securities within the meaning and for all the purposes of the Uniform Commercial Code of the State.

The Issuer shall keep books for the registration of the Series 2020 Bonds at the designated corporate trust office of the Registrar in Orlando, Florida. Subject to the restrictions contained in the Series 2020 Indenture, the Series 2020 Bonds may be transferred or exchanged by the registered owner thereof in person or by his attorney duly authorized in writing only upon the books of the Issuer kept by the Registrar and only upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered owner or his duly authorized attorney. In all cases in which the privilege of transferring or exchanging Series 2020 Bonds is exercised, the Issuer shall execute and the Trustee shall authenticate and deliver a new Bond or Series 2020 Bonds in authorized form and in like aggregate principal amount in accordance with the provisions of the Series 2020 Indenture. Every Bond presented or surrendered for transfer or exchange shall be duly endorsed or accompanied by a written instrument of transfer in form satisfactory to the Trustee, Paying Agent or the Registrar, duly executed by the Bondholder or his attorney duly authorized in writing. Transfers and exchanges shall be made without charge to the Bondholder, except that the Issuer or the Trustee may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Series 2020 Bonds.

The Issuer, the Trustee, the Paying Agent and the Registrar shall deem and treat the person in whose name any Bond shall be registered upon the books kept by the Registrar as the absolute owner thereof (whether or not such Bond shall be overdue) for the purpose of receiving payment of or on account of the principal of, premium, if any, and interest on such Bond as the same becomes due, and for all other purposes. All such payments so made to any such registered owner or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid, and neither the Issuer, the Trustee, the Paying Agent, nor the Registrar shall be affected by any notice to the contrary.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen, and to be performed, precedent to and in the issuance of this Bond exist, have happened and have been performed in regular and due form and time as required by the laws and Constitution of the State applicable thereto, including particularly the Act, and that the issuance of this Bond, and of the issue of the Series 2020 Bonds of which this Bond is one, is in full compliance with all constitutional and statutory limitations or provisions.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK – SIGNATURE PAGE  
FOLLOWS]

**IN WITNESS WHEREOF**, North Powerline Road Community Development District has caused this Bond to be signed by the facsimile signature of the Chairperson of its Board of Supervisors and a facsimile of its seal to be imprinted hereon, and attested by the facsimile signature of the Secretary of its Board of Supervisors, all as of the date hereof.

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

By: \_\_\_\_\_  
Chairperson, Board of Supervisors

(SEAL)

Attest:

By: \_\_\_\_\_  
Secretary, Board of Supervisors

**CERTIFICATE OF AUTHENTICATION**

This Bond is one of the Series 2020 Bonds delivered pursuant to the within mentioned Series 2020 Indenture.

Date of Authentication: \_\_\_\_\_

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

By: \_\_\_\_\_  
Authorized Signatory

## STATEMENT OF VALIDATION

This Bond is one of a series of Series 2020 Bonds which were validated by judgment of the Circuit Court of the Tenth Judicial Circuit of Florida, in and for Hardee, Highlands and Polk Counties, Florida, rendered on the 25th day of September, 2019.

### **NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Chairperson, Board of Supervisors

(SEAL)

Attest:

By: \_\_\_\_\_  
Secretary, Board of Supervisors

## ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-	as tenants in common
TEN ENT	-	as tenants by the entirety
JT TEN	-	as joint tenants with rights of survivorship and not as tenants in common

UNIFORM TRANSFER MIN ACT	-	_____ Custodian _____
		(Cust) (Minor)
Under Uniform Transfer to Minors Act	_____	
	(State)	

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

## ASSIGNMENT AND TRANSFER

FOR VALUE RECEIVED the undersigned sells, assigns and transfers unto

---

(please print or typewrite name and address of assignee)

---

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

---

Attorney to transfer the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Signature Guarantee:

---

**NOTICE:** Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company

---

**NOTICE:** The signature to this assignment must correspond with the name of the registered owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatsoever.

---

Please insert social security or other identifying number of Assignee.



## EXHIBIT C

### FORMS OF REQUISITIONS

#### **NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2020 (Acquisition and Construction)**

The undersigned, a Responsible Officer of the North Powerline Road Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), dated as of [\_\_\_\_\_] 1, 2020] as supplemented by that certain First Supplemental Trust Indenture dated as of [\_\_\_\_\_] 1, 2020] (collectively, the "Series 2020 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2020 Indenture):

- (A) Requisition Number:
- (B) Identify Acquisition Agreement, if applicable;
- (C) Name of Payee pursuant to Acquisition Agreement:
- (D) Amount Payable:
- (E) Purpose for which paid or incurred (refer also to specific contract if amount is due and payable pursuant to a contract involving progress payments):
- (F) Fund or Account and subaccount, if any, from which disbursement to be made:

*Series 2020 Acquisition and Construction Account of the Acquisition and Construction Fund.*

The undersigned hereby certifies that:

- 1. obligations in the stated amount set forth above have been incurred by the District,
- 2. each disbursement set forth above is a proper charge against the Series 2020 Acquisition and Construction Account; and
- 3. each disbursement set forth above was incurred in connection with the Cost of the Series 2020 Project.

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

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

Attached hereto or on file with the District are copies of the invoice(s) or applicable contracts from the vendor of the property acquired or the services rendered, as well as applicable conveyance instruments (e.g. deed(s), bill(s) of sale, easement(s), etc.) with respect to which disbursement is hereby requested.

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Responsible Officer

Date: \_\_\_\_\_

**CONSULTING ENGINEER'S APPROVAL FOR  
NON-COST OF ISSUANCE OR [NON-OPERATING COSTS REQUESTS ONLY]**

The undersigned Consulting Engineer hereby certifies that this disbursement is for a Cost of the Series 2020 Project and is consistent with: (i) the applicable acquisition or construction contract; (ii) the plans and specifications for the portion of the Series 2020 Project with respect to which such disbursement is being made; and (iii) the report of the Consulting Engineer, as such report shall have been amended or modified on the date hereof. The Consulting Engineer further certifies and agrees that for any acquisition: (a) the portion of the Series 2020 Project that is the subject of this requisition is complete, and (b) the purchase price to be paid by the District for the portion of the Series 2020 Project to be acquired with this disbursement is no more than the lesser of (i) the fair market value of such improvements and (ii) the actual cost of construction of such improvements.

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

Date: \_\_\_\_\_

## FORMS OF REQUISITIONS

### NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT SPECIAL ASSESSMENT BONDS, SERIES 2020

(Costs of Issuance)

The undersigned, a Responsible Officer of the North Powerline Road Community Development District (the "District") hereby submits the following requisition for disbursement under and pursuant to the terms of the Master Trust Indenture by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), dated as of [\_\_\_\_\_] 1, 2020], as supplemented by that certain First Supplemental Trust Indenture dated as of [\_\_\_\_\_] 1, 2020] (collectively, the "Series 2020 Indenture") (all capitalized terms used herein shall have the meaning ascribed to such term in the Series 2020 Indenture):

- (A) Requisition Number:
- (B) Amount Payable:
- (C) Purpose for which paid or incurred: Costs of Issuance
- (D) Fund or Account and subaccount, if any, from which disbursement to be made:

*Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund*

The undersigned hereby certifies that:

1. this requisition is for Costs of Issuance payable from the Series 2020 Costs of Issuance Account that have not previously been paid;
2. each disbursement set forth above is a proper charge against the Series 2020 Costs of Issuance Account;
3. each disbursement set forth above was incurred in connection with the issuance of the Series 2020 Bonds; and
4. each disbursement represents a cost of issuance which has not previously been paid.

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

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

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

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Responsible Officer

Date: \_\_\_\_\_

**EXHIBIT D**  
**FORM OF INVESTOR LETTER**

[Date]

North Powerline Road Community Development District  
c/o Governmental Management Services – Central Florida, LLC  
219 East Livingston Street  
Orlando, FL 32801

FMSbonds, Inc.  
20660 W. Dixie Highway  
North Miami Beach, FL 33180

Re:    \$[\_\_\_\_\_] North Powerline Road Community Development District Special  
Assessment Bonds, Series 2020

Ladies and Gentlemen:

The undersigned is authorized to sign this letter [on behalf of Name of Non-Individual Investor], as the beneficial owner (the "Investor") of \$[\_\_\_\_\_] of the above-referenced Bonds [state maturing on, bearing interest at the rate of [\_\_\_]% per annum and CUSIP #] (herein, the "Investor Bonds").

In connection with the purchase of the Investor Bonds by the Investor, the Investor hereby makes the following representations upon which you may rely:

1.       The Investor has authority to purchase the Investor Bonds and to execute this letter, any other instruments and documents required to be executed by the Investor in connection with the purchase of the Investor Bonds.

2.       The Investor is an "accredited investor" as described in Rule 501 under Regulation D of the Securities Act of 1933, as amended (the "Securities Act"), and therefore, has sufficient knowledge and experience in financial and business matters, including purchase and ownership of municipal and other tax-exempt obligations including those which are not rated or credit-enhanced, to be able to evaluate the risks and merits of the investment represented by the Bonds. Please check the appropriate box below to indicate the type of accredited investor:

☐       a bank, insurance company, registered investment company, business development company, or small business investment company;

☐       an employee benefit plan, within the meaning of the Employee Retirement Income Security Act, if a bank, insurance company, or registered investment adviser makes the investment decisions, or if the plan has total assets in excess of \$5 million;

☐       a charitable organization, corporation, or partnership with assets exceeding \$5 million;

- ☐ a business in which all the equity owners are "accredited investors;"
- ☐ a natural person who has individual net worth, or joint net worth with the person's spouse, that exceeds \$1 million at the time of the purchase, excluding the value of the primary residence of such person except that mortgage indebtedness on the primary residence shall not be included as a liability;
- ☐ a natural person with income exceeding \$200,000 in each of the two most recent years or joint income with a spouse exceeding \$300,000 for those years and a reasonable expectation of the same income level in the current year; or
- ☐ a trust with total assets in excess of \$5,000,000, not formed for the specific purpose of acquiring the Investor Bonds whose purchase is directed by a sophisticated person.

3. The Investor has been supplied with an (electronic) copy of the Preliminary Limited Offering Memorandum dated [\_\_\_\_\_, 2020] of the Issuer and relating to the Bonds (the "Offering Document") and has reviewed the Offering Document and represents that such Offering Document has provided full and meaningful disclosure in order to make an informed decision to invest in the Investor Bonds.

Capitalized terms used herein and not otherwise defined have the meanings given to such terms in the Indenture.

Very truly yours,

[Name], [Type of Entity]

By: \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_

Or

\_\_\_\_\_  
 [Name], an Individual

**EXHIBIT B**

**FORM OF BOND PURCHASE CONTRACT**

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
(POLK COUNTY, FLORIDA)**

§ \_\_\_\_\_  
**SPECIAL ASSESSMENT BONDS, SERIES 2020**

**BOND PURCHASE CONTRACT**

\_\_\_\_\_, 2020

Board of Supervisors  
North Powerline Road Community Development District  
Polk County, Florida

Dear Ladies and Gentlemen:

FMSbonds, Inc. (the "Underwriter") offers to enter into this Bond Purchase Contract (the "Purchase Contract") with North Powerline Road Community Development District (the "District"). The District is located partially within unincorporated Polk County, Florida (the "County") and partially within the City of Davenport, Florida (the "City"). This offer of the Underwriter shall, unless accepted by the District, acting through its Board of Supervisors (the "Board"), expire at 12:00 P.M. prevailing time within the jurisdiction of the District on the date hereof, unless previously withdrawn or extended in writing by the Underwriter. This Purchase Contract shall be binding upon the District and the Underwriter upon execution and delivery. Any capitalized word not defined herein shall have the meaning ascribed thereto in the Preliminary Limited Offering Memorandum (as 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 Statements attached hereto as Exhibit A.

**1. Purchase and Sale.** Upon the terms and conditions and upon the basis of the representations, warranties and agreements set forth herein, the Underwriter hereby agrees to purchase from the District and the District hereby agrees to sell and deliver to the Underwriter, all (but not less than all) of its \$\_\_\_\_\_ aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Bonds"). The Bonds shall be dated their date of delivery and shall mature on the dates, shall bear interest at the rates, and shall be subject to redemption prior to maturity, all as provided in Exhibit B attached hereto. The purchase price for the Series 2020 Bonds shall be \$\_\_\_\_\_ (representing the \$\_\_\_\_\_ aggregate principal amount of the Series 2020 Bonds, less underwriter's discount of \$\_\_\_\_\_). The payment for and delivery of the Bonds and the other actions contemplated hereby to take place at the Closing Date (as hereinafter defined) being hereinafter referred to as the "Closing."

**2. The Bonds.** The Bonds are to be issued by the District, a local unit of special-purpose government of the State of Florida (the "State"), created pursuant to the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended, any successor statute thereto, the Florida Constitution, and other applicable provisions of law (the "Act"), and by Ordinance No. 18-35 duly enacted by the Board of County Commissioners of Polk County, Florida (the "County") on June 5, 2018 (the "Original Ordinance") and approved and consented to by the City Commission of the City of Davenport, Florida (the "City") by Resolution No. 387-18 adopted on March 19, 2018. The Series 2020 Bonds are being issued pursuant to the Act and secured pursuant to the provisions of a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "First Supplemental Indenture" and, together with the



Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"), and Resolution No. 2018-25 adopted by the Board of Supervisors (the "Board") of the District on July 18, 2018 and Resolution No. 2020-02 adopted by the Board on February 5, 2020, which rescinded and repealed Resolution No. 2019-04 previously adopted by the Board on September 11, 2019 (collectively, the "Bond Resolution"). The Series 2020 Special Assessments, the revenues from which constitute part of the Series 2020 Pledged Revenues, have been, or will be prior to the time of Closing, levied by the District on the lands within the District specially benefited by the Series 2020 Project pursuant to the Assessment Resolutions (as such terms are defined in the Series 2020 Indenture).

**3. Limited Offering; Establishment of Issue Price.** 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 and that the District and the Underwriter receive the opinions, documents and certificates described in Section 8(c) hereof.

(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, in a form reasonably satisfactory to Bond Counsel, 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 B, 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. At or promptly after the execution of this 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 provided that, the Underwriter's reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Issuer or bond counsel. For purposes of this Section, if Bonds mature on the same date but have different interest rates, each separate CUSIP number within that maturity will be treated as a separate maturity of the Securities.

(c) The Underwriter confirms that it has offered the Bonds to accredited investors constituting the public on or before the date of this Purchase Contract at the offering price or prices (the "initial offering price"), or at the corresponding yield or yields, set forth in Exhibit B attached hereto, except as otherwise set forth therein. Exhibit B also sets forth, as of the date of this Purchase Contract, the maturities 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:

(1) the close of the fifth (5th) business day after the sale date; or

(2) 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 will advise the District promptly after the close of the fifth (5th) business day after the sale date whether it 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.

(d) The Underwriter confirms that:

(i) any selling group agreement and any third-party distribution agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer who is a member of the selling group and each broker-dealer that is a party to such third-party distribution agreement, as applicable:

(A) (i) to report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter, and (ii) to comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter,

(B) to promptly notify the Underwriter of any sales of Bonds that, to its knowledge, are made to a purchaser who is a related party to an underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below), and

(C) to acknowledge that, unless otherwise advised by the dealer or broker-dealer, the Underwriter shall assume that each order submitted by the dealer or broker-dealer is a sale to the public.

(ii) any selling group agreement relating to the initial sale of the Bonds to the public, together with the related pricing wires, contains or will contain language obligating each dealer that is a party to a third-party 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 third-party distribution agreement to (A) report the prices at which it sells to the public the unsold Bonds of each maturity allocated to it, whether or not the Closing Date has occurred, until either all Bonds of that maturity allocated to it have been sold or it is notified by the Underwriter or the dealer that the 10% test has been satisfied as to the Bonds of that maturity, provided that, the reporting obligation after the Closing Date may be at reasonable periodic intervals or otherwise upon request of the Underwriter or the dealer, and (B) comply with the hold-the-offering-price rule, if applicable, if and for so long as directed by the Underwriter or the dealer and as set forth in the related pricing wires.

(e) The District acknowledges that, in making the representation set forth in this subsection, the Underwriter will rely on (i) 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 requirements for establishing issue price, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in a selling group agreement and the related pricing wires, and (ii) in the event that a third-party distribution agreement 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 requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds, as set forth in the third-party distribution agreement and the related pricing wires. The District further acknowledges that the Underwriter shall not be liable for the failure of any dealer who is a member of a selling group, or of any broker-dealer that is a party to a third-party distribution agreement, to comply with its corresponding agreement to comply with the requirements for establishing issue price of the Bonds, including, but not limited to, its agreement to comply with the hold-the-offering-price rule, if applicable to the Bonds.

(f) The Underwriter acknowledges that sales of any Bond to any person that is a related party to an Underwriter participating in the initial sale of the Bonds to the public (each such term being used as defined below) 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 third-party 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 (A) more than 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), (B) more than 50% common ownership of their capital interests or profits interests, if both entities are partnerships (including direct ownership by one partnership of another), or (C) 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 interests by one entity of the other), and

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

**4. Use of Documents.** Prior to the date hereof, the District has caused to be prepared and provided to the Underwriter the Preliminary Limited Offering Memorandum, dated \_\_\_\_\_, 2020 (the "Preliminary Limited Offering Memorandum"), of the District, relating to the Bonds 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 (the "Rule") in connection with the limited offering of the Bonds. The Underwriter has reviewed the Preliminary Limited Offering Memorandum prior to the execution of this Purchase Contract. The District has, prior to the date hereof,

authorized the use of the Preliminary Limited Offering Memorandum by the Underwriter. 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 hereinafter defined) and in sufficient time to accompany any confirmation that requests payment from any customer such number of copies of the final Limited Offering Memorandum (the "Limited Offering Memorandum" and, together with the Preliminary Limited Offering Memorandum, the "Limited Offering Memoranda") as the Underwriter shall reasonably request to comply with the requirements of the Rule and all applicable rules of the Municipal Securities Rulemaking Board (the "MSRB"). The Underwriter agrees to file the Limited Offering Memorandum with the MSRB not later than two (2) business days after the Closing Date. The Underwriter agrees that it will not confirm the sale of any Bonds unless a final written confirmation of sale is accompanied or preceded by the delivery of a copy of the Limited Offering Memorandum. The District hereby approves the circulation and use by the Underwriter of the Limited Offering Memoranda with respect to the Bonds.

**5. Definitions.** For purposes hereof, (a) this Purchase Contract, the Bonds, the Indenture, the Continuing Disclosure Agreement to be dated as of the Closing Date, by and among the District, [ ] (the "Landowner"), and Governmental Management Services - Central Florida, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent"), the Trustee and the District Manager in substantially the form attached to the Preliminary Limited Offering Memorandum as APPENDIX E thereto (the "Disclosure Agreement") and the DTC Blanket Issuer Letter of Representations entered into by the District are referred to herein collectively as the "Financing Documents," and (b) the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Landowner dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2020 Project by and between the District and the Landowner dated as of the Closing Date in recordable form (the "Collateral Assignment"), and the Agreement Regarding True-Up by and between the District and the Landowner dated as of the Closing Date in recordable form (the "True-Up Agreement") are collectively referred to herein as the "Ancillary Agreements."

**6. 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 on the Closing Date duly organized and validly existing as a unit of special-purpose government created pursuant to the Constitution and laws of the State, including, without limitation, the Act;

(b) The District has full legal right, power and authority to: (i) adopt the Bond Resolution and the Assessment Resolutions; (ii) enter into the Financing Documents and Ancillary Agreements; (iii) sell, issue and deliver the Bonds to the Underwriter as provided herein; (iv) apply the proceeds of the sale of the Bonds for the purposes described in the Limited Offering Memoranda; (v) authorize and acknowledge the use of the Limited Offering Memoranda and authorize the execution of the Limited Offering Memorandum; and (vi) carry out and consummate the transactions contemplated by the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements, and the Limited Offering Memoranda. The District has complied, and on the Closing Date will be in compliance in all material respects, with the terms of the Act and with the obligations on its part contained in the Bond Resolution, the Assessment Resolutions, the Financing Documents, the Ancillary Agreements 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 Resolutions, and the same are in full force and effect and have not been supplemented, amended, modified or repealed, except as set forth therein. By all necessary official Board action, the District has duly authorized and approved the use and delivery of the Preliminary Limited Offering Memorandum and the execution and delivery of the Financing Documents, the Ancillary Agreements, 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 Agreements and the Bonds and the consummation by it of all other transactions contemplated by this Purchase Contract and the Limited Offering Memoranda in connection with the issuance of the Bonds. Upon execution and delivery by the District and the Trustee (and assuming the due authorization, execution and delivery of the Indenture by the Trustee), the Indenture will constitute a legal, valid and binding obligation of the District, enforceable in accordance with its 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). Upon execution by the District and the other parties thereto (and assuming the due authorization, execution and delivery of such agreements by the other parties thereto) the Financing Documents and the Ancillary Agreements will constitute the legal, valid and binding obligations of the District, enforceable in accordance with their respective 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) Except as may be expressly disclosed in the Preliminary Limited Offering Memorandum, the District is not in material breach of or material default under any applicable provision of the Act or any applicable constitutional provision or statute or, to the best of its knowledge, administrative regulation of 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 to the best of its knowledge, no event has occurred and is continuing which with the passage of time or the giving of notice, or both, would constitute a material default or material event of default under any such instrument; and the execution and delivery of the Bonds, the Financing Documents, the Ancillary Agreements and the Limited Offering Memorandum, the approval of the delivery of the Preliminary Limited Offering Memorandum, and the adoption of the Bond Resolution and the Assessment Resolutions, 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, or law, or, to the best of its knowledge, any administrative regulation, judgment, decree, loan agreement, indenture, bond, note, resolution, agreement, or other instrument to which the District is a party or to which the District or any of its property or assets is otherwise subject, 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 the property or assets of the District or under the terms of any such law, regulation or instrument, except as provided by the Assessment Resolutions, the Bonds and the Indenture. To the best of its knowledge, no event has occurred 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, the Financing Documents or the Ancillary Agreements;

(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 performance by

the District of its obligations, to issue the Bonds, or under the Bonds, the Bond Resolution, the Assessment Resolutions, Financing Documents or the Ancillary Agreements 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;

(f) The descriptions of the Bonds, the Financing Documents, the Ancillary Agreements and the Series 2020 Project to the extent referred to in the Limited Offering Memoranda, conform in all material respects to the Bonds, the Financing Documents, the Ancillary Agreements and the Series 2020 Project, respectively;

(g) The Bonds, when issued, executed and delivered in accordance with 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 Series 2020 Pledged Revenues. On the Closing Date, all conditions precedent to the issuance of the Bonds set forth in the Indenture will have been complied with or fulfilled;

(h) 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: (i) contesting the corporate existence or powers of the Board or the titles of the respective officers of the Board to their respective offices; (ii) 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 Memoranda or the collection of the Series 2020 Special Assessments or the pledge of and lien on the Series 2020 Pledged Revenues, pursuant to the Indenture; (iii) 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 the authorization for the issuance of the Bonds, or the authorization of the Series 2020 Project, the Bond Resolution, the Assessment Resolutions, the Financing Documents and Ancillary Agreements 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 Memoranda; (iv) contesting the federal tax status of the Bonds; or (v) contesting the completeness or accuracy of the Limited Offering Memoranda or any supplement or amendment thereto;

(i) To the extent applicable, 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: (i) 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 (ii) 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 limited 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 register as a broker/dealer;

(j) As of its date (unless an event occurs of the nature described in paragraph (1) of this Section 6) and at all times subsequent thereto, up to and including the date hereof the statements and information contained in the Preliminary Limited Offering Memorandum (other than Permitted Omissions) and in the Limited Offering Memorandum 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; provided, however, that no representation is made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2020 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE";

(k) If the Limited Offering Memorandum is supplemented or amended pursuant to subsection (1) of this Section 6, 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 be accurate in all material respects for the purposes for which their use is authorized and 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 made concerning information contained in the Limited Offering Memoranda under the captions "DESCRIPTION OF THE SERIES 2020 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE";

(l) If between the date of this Purchase Contract and the earlier of (i) the date that is ninety (90) days from the end of the "Underwriting Period" as defined in the Rule, or (ii) the time when the Limited Offering Memorandum is available to any person from the MSRB's Electronic Municipal Market Access system (but in no event less than twenty-five (25) days following the end of the Underwriting Period), 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 (unless such supplement or amendment is the direct result of information provided by the Landowner or Underwriter, then at the expense of said relevant person) supplement or amend the Limited Offering Memorandum in a form and in a manner approved by the Underwriter. The end of the Underwriting Period shall be the next business day after the Closing Date;

(m) Since its inception, there has been no material adverse change in the properties, businesses, results of operations, prospects, management or financial or other condition of the District, except as disclosed in the Limited Offering Memoranda, and the District has not incurred liabilities that would materially adversely affect its ability to discharge its obligations under the Bond Resolution, the Assessment Resolutions, either Series of the Bonds, the Financing Documents or the Ancillary Agreements, direct or contingent, other than as set forth in or contemplated by the Limited Offering Memoranda;

(n) 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 Rule 69W-400.003 of the Florida Department of Financial Services;

(o) The District has disclosed in the Preliminary Limited Offering Memorandum any failure in the previous five (5) years to comply, in all material respects, with any previous continuing disclosure obligations undertaken by the District in accordance with the continuing disclosure requirements of the Rule;

(p) Any certificate signed by any official 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; and

(q) From the date of this Purchase Contract through the Closing Date, the District will not issue any bonds (other than the Bonds), notes or other obligations payable from the Series 2020 Pledged Revenues.

7. **Closing.** At 10:00 a.m. prevailing time on \_\_\_\_\_, 2020 (the "Closing Date") or at such later time as may be mutually agreed upon by the District and the Underwriter, the District will, subject to the terms and conditions hereof, deliver to the Underwriter, the Bonds in definitive book-entry only 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. Delivery of the Bonds as aforesaid shall be made pursuant to the FAST system of delivery of 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, with one bond for each maturity, 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.

8. **Closing Conditions.** The Underwriter has entered into this Purchase Contract in reliance upon the representations, warranties and agreements of the District contained herein, and in reliance upon the representations, warranties and agreements to be contained in the documents and instruments to be delivered on the Closing Date 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 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 Date, and are also subject to the following additional conditions:

(a) The representations and warranties 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;

(b) At the time of the Closing, the Bond Resolution, the Assessment Resolutions, the Bonds, the Financing Documents and the Ancillary Agreements shall each be in full force and effect in accordance with their respective terms and the Bond Resolution, the Assessment Resolutions, the Indenture and the Limited Offering Memoranda 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 Date, the Underwriter and the District shall have received 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 Chairperson of the Board or such other authorized member of the Board;

(2) A copy of each of the Bond Resolution and the Assessment Resolutions certified by the Secretary or an Assistant 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;

(3) Executed copies of each of the Financing Documents and Ancillary Agreements in form and substance acceptable to the Underwriter and Underwriter's counsel;

(4) The opinion, dated as of the Closing Date and addressed to the District, of Greenberg Traurig, P.A., Bond Counsel, in the form included in the Preliminary Limited Offering Memorandum as APPENDIX C or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel, together with a letter of such counsel, dated as of the Closing Date and addressed to the Underwriter and the Trustee, to the effect that the foregoing opinion addressed to the District may be relied upon by the Underwriter and the Trustee to the same extent as if such opinion were addressed to them;

(5) The supplemental opinion, dated as of the Closing Date and addressed to the Underwriter, of Greenberg Traurig, P.A., Bond Counsel, in the form annexed as Exhibit C hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(6) The opinion, dated as of the Closing Date of Hopping Green & Sams, P.A., counsel to the District, in the form annexed as Exhibit D hereto or in form and substance otherwise acceptable to the Underwriter and its counsel;

(7) An opinion, dated as of the Closing Date and addressed to the Underwriter, Underwriter's Counsel, the District and Bond Counsel, of counsel to the Trustee, in form and substance acceptable to Bond Counsel, Underwriter, Underwriter's Counsel, and the District;

(8) A customary authorization and incumbency certificate, dated as of the Closing Date, signed by authorized officers of the Trustee in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(9) The opinion, dated as of the Closing Date and addressed to the District, the Trustee and the Underwriter, of Straughn & Turner, P.A., counsel to the Landowner, in the form annexed as Exhibit E hereto or in form and substance otherwise acceptable to the Underwriter and Underwriter's counsel;

(10) A certificate of the Landowner dated as of the Closing Date, in the form annexed as Exhibit F hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(11) A copy of the Original Ordinance;

(12) A certificate, dated as of the Closing Date, signed by the Chairperson or Vice-Chairperson and the Secretary or an Assistant Secretary of the Board, setting forth that: (i) each of the representations of the District contained herein 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 continues 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) except as may be disclosed in the Limited Offering Memorandum, 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 District agrees to take all reasonable action necessary to use the Uniform Method as the means of collecting the Series 2020 Special Assessments as described in the Indenture; and (v) the Limited Offering Memoranda (other than the information under the captions "DESCRIPTION OF THE SERIES 2020 BONDS – Book-Entry Only System," "THE DEVELOPMENT," "THE LANDOWNER," "TAX MATTERS," "SUITABILITY FOR INVESTMENT," "LITIGATION – The Landowner," "UNDERWRITING" and, with respect to the Landowner, as set forth under the caption "CONTINUING DISCLOSURE," as to which no view need be expressed) as of their respective dates, and as of the date hereof, do not contain any untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Limited Offering Memoranda are to be used, or which is necessary in order to make the statements contained therein, in the light of the circumstances under which they were made, not misleading;

(13) A customary signature and no litigation certificate, dated as of the Closing Date, signed on behalf of the District by the Chairperson or Vice-Chairperson and Secretary or an Assistant Secretary of the Board in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(14) Evidence of compliance by the District with the requirements of Section 189.051, Florida Statutes;

(15) 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;

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

(17) A certificate of the District's consulting engineer, dated as of the Closing Date, in the form annexed as Exhibit G hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(18) A certificate of the District Manager and Methodology Consultant in the form annexed as Exhibit H hereto or otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(19) A certificate of the District whereby the District deemed the Preliminary Limited Offering Memorandum final for purposes of the Rule as of the date of the Preliminary Limited Offering Memorandum except for the Permitted Omissions;

(20) To the extent required under the Indenture, an investor letter from each initial beneficial owner of the Bonds in the form attached to the Indenture;

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

(22) Evidence of compliance by the District with the requirements of Section 215.84, Florida Statutes;

(23) A certified copy of the final judgment of the Tenth Judicial Circuit Court of Florida in and for Polk County, validating the Bonds and appropriate certificate of no-appeal;

(24) A copy of the Master Assessment Methodology dated July 11, 2018, as supplemented by the Supplemental Assessment Methodology – Phase 1 dated the date hereof, as the same may be amended and supplemented from time to time, relating to the Bonds;

(25) A copy of the Amended and Restated Engineer's Report dated [August 2019];

(26) Acknowledgments in recordable form by all mortgage holders, if any, on lands within the Series 2020 Assessment Area as to the superior lien of the Series 2020 Special Assessments, in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(27) A Declaration of Consent to Jurisdiction of the District, and to Imposition of Special Assessments by the Landowner and any other landowners with respect to all real property which is subject to the Series 2020 Special Assessments, in recordable form and otherwise in form and substance acceptable to the Underwriter and Underwriter's Counsel;

(28) Evidence acceptable to the Underwriter in its sole discretion that the District has engaged a dissemination agent acceptable to the Underwriter (the "Dissemination Agent") for the Bonds;

(29) A certificate of the Dissemination Agent (i) acknowledging its agreement to serve as the initial Dissemination Agent for the District and undertake the obligations of the Dissemination Agent as set forth in the Continuing Disclosure Agreements (ii) representing that the Dissemination Agent is aware of the continuing disclosure requirements set forth in the Continuing Disclosure Agreements and the Rule and that it has policies and procedures in place to ensure its compliance with its obligations under the Disclosure Agreements, and (iii) covenanting to comply with its obligations under the Disclosure Agreements; and

(30) Such additional legal opinions, certificates, instruments and other documents as, the Underwriter, Underwriter's Counsel or Bond Counsel may reasonably request to evidence the truth and accuracy, as of the date hereof and as of the Closing Date, of the District's representations and warranties contained herein and of the statements and information contained in the Limited Offering Memoranda and the due

performance or satisfaction by the District and the Landowner on or prior to the Closing of all the agreements then to be performed and conditions then to be satisfied by each.

If the District 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 Purchase Contract (unless waived by the Underwriter in its sole discretion), 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 Purchase Contract, this 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 10 hereof shall continue in full force and effect.

**9. Termination.** The Underwriter shall have the right to terminate its obligations under this Purchase Contract to purchase, to accept delivery of and to pay for the Bonds by notifying the District in writing of its election to do so if, after the execution hereof and prior to the Closing: (i) legislation shall have been introduced in or enacted by the Congress of the United States or enacted by the State, or legislation pending in the Congress of the United States shall have been amended, or legislation shall have been recommended to the Congress of the United States 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 Chairperson 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 legislation shall have been proposed for consideration by either such committee, by any member thereof, or legislation shall have been favorably reported for passage to either House of Congress of the United States by a committee of such House to which such legislation has been referred for consideration, or a decision shall have been rendered by a court of the United States or the State, including the Tax Court of the United States, or a ruling shall have been made or a regulation shall have been proposed or made or a press release or other form of notice shall have been issued by the Treasury Department of the United States, or the Internal Revenue Service or other federal or State authority, with respect to federal or State taxation upon revenues or other income of the general character to be derived by the District or by any similar body, or upon interest on obligations of the general character of the Bonds, which may have the purpose or effect, directly or indirectly, of materially and adversely affecting the tax exempt status of the District, its property or income, its securities (including either Series of the Bonds) or the interest thereon, or any tax exemption granted or authorized by the State or, which in the reasonable opinion of the Underwriter, affects materially and adversely the market for either Series of the Bonds, or the market price generally of obligations of the general character of the Bonds; (ii) the District or the 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, 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 the Landowner, other than in the ordinary course of their respective business; (iii) any event shall have occurred or shall exist which, in the reasonable opinion of the Underwriter, would or might cause the information contained in the Limited Offering Memorandum, as then supplemented or amended, to contain any untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; or (iv) the District fails to adopt the Assessment Resolutions or fails to perform any action to be performed by it in connection with the levy of the Series 2020 Special Assessments.

**10. Expenses.**

(a) The District agrees to pay, and the Underwriter shall not be obligated to pay, any expenses incident to the performance of the District's obligations hereunder, including, but not limited to: (i) the cost of the preparation and distribution of the Indenture; (ii) the cost of the preparation and printing,

if applicable, of the Limited Offering Memoranda and any supplements thereto, together with a reasonable number of copies which the Underwriter may request; (iii) the cost of registering the Bonds in the name of Cede & Co., as nominee of DTC, which will act as securities depository for such Bonds; (iv) the fees and disbursements of counsel to the District, the District Manager, the Dissemination Agent, Bond Counsel, the Consulting Engineer, the Underwriter, Underwriter's Counsel, the District's Methodology Consultant and any other experts or consultants retained by the District; and (v) the cost of recording in the Official Records of the County any Financing Documents, Ancillary Agreements or other documents or certificates that are required to be recorded pursuant to the terms of this Purchase Contract. It is anticipated that such expenses shall be paid from the proceeds of the Bonds. The District shall record all documents required to be provided in recordable form hereunder within three business days after the Closing Date, which obligation shall survive the Closing.

(b) The Underwriter agrees to pay all advertising expenses in connection with the Bonds, if any.

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

**12. Notices.** Any notice or other communication to be given to the District under this Purchase Contract may be given by delivering the same in writing to the District Manager at Governmental Management Services – Central Florida, LLC, 135 W. Central Boulevard, Suite 320, Orlando, Florida 32801, and any notice or other communication to be given to the Underwriter under this Purchase Contract may be given by delivering the same in writing to FMSbonds, Inc., 20660 W. Dixie Highway, North Miami Beach, Florida 33180, Attention: Jon Kessler.

**13. Parties in Interest; Survival of Representations.** This 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 Purchase Contract shall remain operative and in full force and effect and survive the closing on the Bonds, 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 Purchase Contract.

**14. Effectiveness.** This 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 Purchase Contract and any prior contract between the parties hereto, the provisions of this Purchase Contract shall govern.

15. **Headings.** The headings of the sections of this 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 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.** This Purchase Contract shall be governed and construed in accordance with the laws of the State.

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

[Signature page follows.]

Very truly yours,

**FMSBONDS, INC.**

By: \_\_\_\_\_  
Theodore A. Swinarski  
Senior Vice President - Trading

Accepted and agreed to this  
\_\_\_\_\_ day of \_\_\_\_\_, 2020.

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

By: \_\_\_\_\_  
Warren K. "Rennie" Heath II  
Chairman, Board of Supervisors

## **EXHIBIT A**

### **DISCLOSURE AND TRUTH-IN-BONDING STATEMENT**

\_\_\_\_\_, 2020

North Powerline Road Community Development District  
Polk County, Florida

Re: \$\_\_\_\_\_ North Powerline Road Community Development District Special Assessment  
Bonds, Series 2020 (the "Bonds")

Dear Ladies and Gentlemen:

Pursuant to Chapter 218.385, Florida Statutes, and with respect to the issuance of the above-referenced Bonds, FMSbonds, Inc. (the "Underwriter"), having purchased the Bonds pursuant to a Bond Purchase Contract dated \_\_\_\_\_, 2020 (the "Bond Purchase Contract"), by and between the Underwriter and North Powerline Road Community Development District (the "District"), furnishes the following information in connection with the limited offering and sale of the Bonds. Capitalized terms used and not defined herein shall have the meanings given to them under the Bond Purchase Contract.

1. The total underwriting discount paid to the Underwriter pursuant to the Bond Purchase Contract for the Bonds is approximately \$\_\_\_.00 per \$1,000.00 or \$\_\_\_\_\_.00.
2. There are no "finders" as such term is used in Sections 218.385 and 218.386, Florida Statutes, in connection with the issuance of the Bonds.
3. 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.
4. The management fee charged by the Underwriter is: \$0/\$1,000 or \$0.
5. Any other fee, bonus or other compensation estimated to be paid by the Underwriter in connection with the Bonds to any person not regularly employed or retained by the Underwriter in connection with the Bonds to any person not regularly employed or retained by the Underwriter is as follows: None. GrayRobinson, P.A. has been retained as counsel to the Underwriter and will be compensated by the District.
6. Pursuant to the provisions of Sections 218.385(2) and (3), Florida Statutes, as amended, the following truth-in-bonding statements are made with respect to the Bonds.
7. The address of the Underwriter is:

FMSbonds, Inc.  
20660 W. Dixie Highway  
North Miami Beach, Florida 33180

The District is proposing to issue \$\_\_\_\_\_ aggregate amount of the Bonds for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement, (iii) paying a portion of



the interest coming due on the Bonds and (iv) paying the costs of issuance of the Bonds. This debt or obligation is expected to be repaid over a period of approximately \_\_\_\_\_ ( ) years and \_\_\_\_ ( ) months. At a net interest cost of approximately \_\_\_\_\_ % for the Bonds, total interest paid over the life of the Bonds will be \$\_\_\_\_\_.

The source of repayment for the Bonds is the Series 2020 Special Assessments, imposed and collected by the District. Based solely upon the assumptions set forth in the paragraph above, the issuance of the Bonds will result in approximately \$\_\_\_\_\_ (representing the average annual debt service payments due on the Bonds) of the District's special assessment revenues not being available to the District on an annual basis to finance other services of the District each year for \_\_\_\_\_ ( ) years and \_\_\_\_ ( ) months; 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 Special Assessments in the amount of the principal of and interest to be paid on the Bonds.

[Remainder of page intentionally left blank.]

Sincerely,

By: \_\_\_\_\_  
Theodore A. Swinarski  
Senior Vice President - Trading

**Schedule I**  
**Expenses for Bonds:**

<u>Expense</u>	<u>Amount</u>
DALCOMP	\$
Clearance	
CUSIP	
DTC	
FINRA/SIPC	
MSRB	
<u>Electronic Orders</u>	
TOTAL:	\$

## **EXHIBIT B**

### **TERMS OF BONDS**

1. **Purchase Price:** \$ \_\_\_\_\_ (representing the \$ \_\_\_\_\_ aggregate principal amount of the Series 2020 Bonds, less underwriter's discount of \$ \_\_\_\_\_).
2. **Principal Amounts, Maturities, Interest Rates and Prices:**

<u>Series 2020 Bonds</u>			
<u>Amount</u>	<u>Maturity</u>	<u>Interest Rate</u>	<u>Price</u>

The Underwriter has offered the Series 2020 Bonds to the public on or before the date of this Purchase Contract at the initial offering prices set forth herein and has sold at least 10% of each maturity of the Series 2020 Bonds to the public at a price that is no higher than such initial offering prices.

4. **Redemption Provisions:**

#### **Optional Redemption**

The Series 2020 Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_ may, at the option of the District be called for redemption prior to maturity as a whole or in part, at any time, on or after \_\_\_\_\_ 1, 20\_\_ (less than all Series 2020 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2020 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2020 Optional Redemption Subaccount of the Series 2020 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2020 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

#### **Mandatory Sinking Fund Redemption**

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
-------------	---

\$

\*

\_\_\_\_\_  
\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the

years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

Upon any redemption of Series 2020 Bonds other than in accordance with scheduled Sinking Fund Installments, the District shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to amortize the Outstanding principal amount of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2020 Bonds. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Series 2020 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

### **Extraordinary Mandatory Redemption**

The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2020 Prepayment Principal deposited into the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account following the payment in whole or in part of Series 2020 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture, together with any excess moneys transferred by the Trustee from the Series 2020 Reserve Account to the Series 2020 Prepayment Subaccount as a result of such Series 2020 Prepayment and pursuant the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Series 2020 Funds, Accounts and Subaccounts in the Funds and Accounts (other than the Series 2020 Rebate Fund and the Series 2020 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2020 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture;

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2020 Acquisition and Construction Account in accordance with the provisions the First Supplemental Indenture, not otherwise reserved to complete the Series 2020 Project and transferred to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level; and

(iv) if the Release Conditions have not been satisfied by the Close-Out Date, a portion of the Series 2020 Bonds shall be subject to extraordinary mandatory redemption on the earliest date for which proper notice of redemption can be given after the Close-out Date from proceeds on deposit in the Series 2020 Escrow Subaccount transferred to the Series 2020 General Redemption Subaccount, plus the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement as calculated by the District with respect to the Series 2020 Bonds that will be Outstanding after such extraordinary mandatory redemption date.

[Remainder of page intentionally left blank.]

## **EXHIBIT C**

### **BOND COUNSEL'S SUPPLEMENTAL OPINION**

\_\_\_\_\_, 2020

North Powerline Road Community Development District  
Polk County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re:     \$\_\_\_\_\_ North Powerline Road Community Development District Special  
          Assessment Bonds, Series 2020 (the "Bonds")

Ladies and Gentlemen:

We have acted as Bond Counsel to North Powerline Road Community Development District (the "District"), a community development district established and existing pursuant to Chapter 190 of the Florida Statutes, as amended (the "Act"), in connection with the issuance by the District of its \$\_\_\_\_\_ original aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Bonds"). In such capacity, we have rendered our final approving opinion (the "Opinion") of even date herewith relating to the Bonds. The Series 2020 Bonds are secured pursuant to that certain Master Trust Indenture dated \_\_\_\_\_ 1, 2020 (the "Master Indenture"), as supplemented and amended by that certain First Supplemental Trust Indenture, dated as of \_\_\_\_\_ 1, 2020 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Series 2020 Indenture ") by and between the District and U.S. Bank National Association, as trustee (the "Trustee").

In connection with the rendering of the Opinion, we have reviewed records of the acts taken by the District in connection with the authorization, sale and issuance of the Bonds, were present at various meetings and participated in various discussions in connection therewith and have reviewed such other documents, records and other instruments as we deem necessary to deliver this opinion.

The District has entered into a Bond Purchase Contract dated \_\_\_\_\_, 2020 (the "Purchase Agreement"), for the purchase of the Bonds. Capitalized words used, but not defined, herein shall have the meanings ascribed thereto in the Purchase Agreement.

Based upon the forgoing, we are of the opinion that:

1.       The sale of the Bonds by the District is not subject to the registration requirements of the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the exemption provided in Section 3(a)(2) of the Securities Act.

2.       The Indenture is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended.

3.       The information in the Limited Offering Memoranda under the captions "INTRODUCTION," "DESCRIPTION OF THE SERIES 2020 BONDS" and "SECURITY FOR AND SOURCES OF PAYMENT OF THE SERIES 2020 BONDS," insofar as such statements constitute

descriptions of the Series 2020 Bonds or the Series 2020 Indenture, are accurate as to the matters set forth or documents described therein (provided, we express no opinion with respect to any financial, statistical and demographic information and information under the caption "DESCRIPTION OF THE SERIES 2020 BONDS Book-Entry Only System," and any other information in the Limited Offering Memoranda concerning DTC and its book-entry system of registration), and the information under the captions "TAX MATTERS" and "AGREEMENT BY THE STATE" are correct as to matters of law.

This letter is furnished by us as Bond Counsel. No attorney-client relationship has existed or exists between our firm and FMSbonds, Inc. (the "Underwriter") in connection with the Bonds or by virtue of this letter. This letter is delivered to the Underwriter solely for its benefit as Underwriter and may not be used, circulated, quoted or otherwise referred to or relied upon by the Underwriter for any other purpose or by any other person other than the addressee hereto. This letter is not intended to, and may not be, relied upon by holders of the Bonds.

Very truly yours,



## **EXHIBIT D**

### **ISSUER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2020

North Powerline Road Community Development District  
Polk County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank, National Association  
Orlando, Florida  
(solely for reliance upon Sections C.1., C.2., C.3, C.5 and C.9.)

Re: \$\_\_\_\_\_ North Powerline Road Community Development District Special  
Assessment Bonds, Series 2020

Ladies and Gentlemen:

We serve as counsel to the North Powerline Road Community Development District (the "District"), a local unit of special-purpose government established pursuant to the laws of the State of Florida, in connection with the sale by the District of its \$\_\_\_\_\_ North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Bonds"). This letter is delivered to you pursuant to Section 3.01(3) of the Master Indenture (defined below), Section 2.09(c) of the First Supplemental Trust Indenture (defined below), and Section 8(c)(6) of the Bond Purchase Contract (referenced below), and is effective as of the date first written above. Each capitalized term not otherwise defined herein has the meaning given it to it in the Indenture (defined herein).

#### **A. DOCUMENTS EXAMINED**

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

1. Ordinance No. 18-036, which was enacted by the Board of County Commissioners of Polk County, Florida (the "**County**") on June 5, 2018 (the "**Establishment Ordinance**") and approved and consented to by the City Commission of the City of Davenport, Florida (the "City");
2. the *Master Trust Indenture*, dated as of \_\_\_\_\_ 1, 2020 ("**Master Indenture**"), as supplemented with respect to the Series 2020 Bonds by the *First Supplemental Trust Indenture*, dated as of \_\_\_\_\_ 1, 2020 ("**First Supplemental Trust Indenture**" and, together with the Master Indenture, "**Series 2020 Indenture**"), each by and between the District and U.S. Bank National Association, as trustee ("**Trustee**");
3. Resolutions Nos. 2018-25 and 2020-\_\_\_\_ adopted by the District on July 18, 2018 and February 5, 2020, respectively (collectively, "**Bond Resolution**");
4. "*Amended and Restated Engineer's Report*" dated [August 2019] (the "**Engineer's Report**"), which describes among other things, the capital infrastructure improvements for the District (the "**Series 2020 Project**");
5. *Master Assessment Methodology* dated July 11, 2018, as supplemented by the *Supplemental Assessment Methodology – Phase 1* dated \_\_\_\_\_, 2020 (collectively, "**Assessment Methodology**");

6. Resolution Nos. 2018-23, 2018-24, 2018-32 and 2020-\_\_ (collectively, "**Assessment Resolution**"), establishing the debt service special assessments ("**Debt Assessments**"), securing the Bonds;
7. the *Final Judgment* issued on September 25, 2018, by the Circuit Court for the Tenth Judicial Circuit in and for Polk County, Florida in Case No. 53-2018-CA-002951 and the Certificate of No Appeal issued thereafter;
8. the Preliminary Limited Offering Memorandum dated \_\_\_\_, 2020 ("**PLOM**") and Limited Offering Memorandum dated \_\_\_\_, 2020 ("**LOM**");
9. certain certifications by FMSbonds, Inc. ("**Underwriter**"), as underwriter to the sale of the Bonds;
10. certain certifications of Absolute Engineering, Inc., as District Engineer;
11. certain certifications of Governmental Management Services – Central Florida, LLC, as Methodology Consultant;
12. certain certifications of Governmental Management Services – Central Florida, LLC, as District Manager;
13. general and closing certificate of the District;
14. an opinion of Greenberg Traurig, P.A. ("**Bond Counsel**"), issued to the District in connection with the sale and issuance of the Bonds;
15. an opinion of Aponte & Associates Law Firm, P.L.L.C. ("**Trustee Counsel**"), issued to the District and Underwriter in connection with the sale and issuance of the Bonds;
16. an opinion of Straughn & Turner, P.A., counsel to the Landowner (defined herein), issued to the District and the Underwriter in connection with the sale and issuance of the Bonds;
17. the following agreements ("**Bond Agreements**"):
  - (a) the Continuing Disclosure Agreement dated \_\_\_\_, 2020, by and among the District, [\_\_\_\_\_] ("**Landowner**"), and a dissemination agent;
  - (b) the Bond Purchase Contract between Underwriter and the District and dated \_\_\_\_, 2020 ("**BPA**");
  - (c) the Acquisition Agreement (2019 Bonds), between the District and the Landowner and dated \_\_\_\_, 2020;
  - (d) the Completion Agreement (2019 Bonds), between the District and the Landowner and dated \_\_\_\_, 2020;
  - (e) the True-Up Agreement (2019 Bonds), between the District and the Landowner and dated \_\_\_\_, 2020;
  - (f) the Collateral Assignment and Assumption Agreement (2019 Bonds), between the District and the Landowner and dated \_\_\_\_, 2020;
18. Declarations of Consent to Jurisdiction executed by the Landowner; and
19. such other documents as we have deemed necessary or appropriate in rendering the opinions set forth below.

We have also attended various meetings of the District and have participated in conferences from time to time with representatives of the District, the District Engineer, the District Manager, the Assessment Consultant, the Underwriter, Bond Counsel, counsel to the Underwriter, the Landowner, counsel to the Landowner, and others relative to the Limited Offering Memorandum and the related documents described herein.

## **B. RELIANCE**

This opinion is solely for the benefit of the (i) District; (ii) Underwriter; and (iii) Trustee; however, the Trustee may only rely on this opinion for the limited purposes of the opinions stated in Sections C.1, C.2, C.3, C.5, and C.9. This opinion may not be relied on by any other party or for any other purpose without our prior written consent.

## C. OPINIONS

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

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

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

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

4. **Validation** – The Bonds have been validated by a final judgment of the Circuit Court in and for Polk County, Florida, of which no timely appeals were filed.

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

6. **PLOM and LOM** – The District has duly authorized the execution, delivery and distribution by the Underwriter of the PLOM and LOM. To our knowledge, and based upon our review of the PLOM and LOM and without having undertaken to determine independently the accuracy, completeness or fairness of the statements contained in the PLOM and LOM, and as of the date of their respective issuances, and with respect to the PLOM, the date of the BPA, and with respect to the LOM, the date hereof, nothing has come to our attention which would lead us to believe that the PLOM and LOM contain an untrue statement of a material fact or omit to state a material fact necessary to make the statements contained therein, in light of the circumstances under which they were made, not misleading,

provided however that the opinions stated herein extend only to the following provisions of the PLOM and LOM: "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Prepayment of Series 2020 Special Assessments" (as to the first two paragraphs thereof), "ENFORCEMENT OF ASSESSMENT COLLECTIONS," "THE DISTRICT" (excluding the subcaption "The District Manager and Other Consultants"), "THE DEVELOPMENT – Landowner Agreements" (solely as to the description of the agreements), "AGREEMENT BY THE STATE," "LEGALITY FOR INVESTMENT," "LITIGATION – The District," "CONTINUING DISCLOSURE" (as it relates to the District only), "VALIDATION," and "AUTHORIZATION AND APPROVAL," and further provided however that the opinions stated herein do not extend to any statements that constitute descriptions of the Bonds or the Indenture. No information or opinion is offered as to any remaining provisions of the PLOM or LOM.

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

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

9. ***Authority to Undertake the Project*** – The District has good right and lawful authority under the Act to undertake, finance, acquire, construct, own, and operate the Series 2020 Project, 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.

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

In rendering the foregoing opinions, we have assumed the following: (1) that all public records, certifications, agreements and other documents examined by us that have been executed or certified by public officials acting within the scope of their official capacities are authentic, truthful and accurate; (2) that copies of such public records, certifications, agreements, and other documents furnished to us are authentic and conform to the originals; (3) that all signatures on executed public records, certifications, agreements and other documents are genuine; and (4) that all public records, certifications, agreements

and other documents have been properly authorized and are binding on each of the other parties thereto. Such assumptions do not apply to District documents.

## **E. CERTAIN QUALIFICATIONS**

The foregoing opinions are subject to the following qualifications:

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

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

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

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

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

6. We have not reviewed, and therefore express no opinion, regarding any land use, real property or other related items, including but not limited to whether the Landowner is able to convey good and marketable title to any particular real property or interest therein and related to the Series 2020 Project.

7. With respect to any of the opinions set forth in this letter which are based on or qualified by the phrase "to our knowledge," the words "to our knowledge" signify that, in the course of our representation of the District, no facts have come to our attention that would give us actual knowledge that any such opinions or other matters are not accurate. Except to the extent expressly set forth herein, we have not undertaken any independent investigation to determine the existence or absence of any such facts, and no inference as to our knowledge of the existence of such facts should be drawn from the fact of our representation of District.

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

Sincerely,

Hopping Green & Sams P.A.

---

For the Firm

**EXHIBIT E**

**LANDOWNER'S COUNSEL'S OPINION**

\_\_\_\_\_, 2020

North Powerline Road Community Development District  
Polk County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

U.S. Bank National Association  
Orlando, Florida

Greenberg Traurig, P.A.  
Miami, Florida

GrayRobinson, P.A.  
Tampa, Florida

Re:     \$\_\_\_\_\_ North Powerline Road Community Development District Special  
          Assessment Bonds, Series 2020 (the "Bonds")

Ladies and Gentlemen:

I am counsel to \_\_\_\_\_, a Florida limited liability company (the "Landowner"), which is the owner of certain land within the planned community located in the Polk County, Florida and commonly referred to as \_\_\_\_\_, as such lands are described in the Limited Offering Memoranda (as hereinafter defined). This opinion is rendered at the request of the Landowner in connection with the issuance by the North Powerline Road Community Development District (the "District") of the above-referenced Bonds, as further described in the District's Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2020 and the District's final Limited Offering Memorandum, dated \_\_\_\_\_, 2020, including the appendices attached thereto (collectively, the "Limiting Offering Memoranda"). Capitalized terms not defined herein shall have the meaning set forth in the Limited Offering Memoranda.

It is my understanding that the Series 2020 Bonds are being issued for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement, (iii) paying a portion of the interest coming due on the Series 2020 Bonds and (iv) paying the costs of issuance of the Series 2020 Bonds.

In my capacity as counsel to the Landowner, I have examined originals or copies identified to my satisfaction as being true copies of the Limiting Offering Memoranda, the Continuing Disclosure Agreement to be dated as of the Closing Date (the "Continuing Disclosure Agreement"), by and among the District, the Landowner, and Governmental Management Services – Central Florida, LLC, as dissemination agent, the Agreement Regarding the Completion of Certain Improvements by and between the District and the Landowner dated as of the Closing Date (the "Completion Agreement"), the Agreement Regarding the Acquisition of Real Property by and between the District and the Landowner

dated as of the Closing Date (the "Acquisition Agreement"), the Collateral Assignment and Assumption of Development Rights Relating to the Series 2020 Project by and between the District and the Landowner dated as of the Closing Date (the "Collateral Assignment"), the Agreement Regarding True-Up as to Series 2020 by and between the District and the Landowner dated as of the Closing Date (the "True-Up Agreement"), and the Declaration of Consent to Jurisdiction of the District, Imposition of Special Assessments and Imposition of Lien of Record dated as of the Closing Date and executed by the Landowner (the "Declaration of Consent") (collectively, the "Documents") and have made such examination of law as I have deemed necessary or appropriate in rendering this opinion. In connection with the forgoing, I also have reviewed and examined (i) the Operating Agreement of the Landowner dated as of \_\_\_\_\_, and the Landowner's Articles of Organization filed on \_\_\_\_\_, and (ii) a certificate of good standing issued by the State of Florida for the Landowner on \_\_\_\_\_, 2020 (collectively, the "Organizational Documents").

In rendering this opinion, I have assumed, without having made any independent investigation of the facts, the genuineness of all signatures (other than those of the Landowner) and the authenticity of all documents submitted to me as originals and the conformity to original documents of all documents submitted to me as certified, conformed or photostatic copies, and the legal capacity of all natural persons.

In basing the opinions set forth in this opinion on "my knowledge," the words "my knowledge" signify that, in the course of my representation of Landowner, no facts have come to my attention that would give me actual knowledge or actual notice that any such opinions or other matters are not accurate. Except as otherwise stated in this opinion, I have undertaken no investigation or verification of such matters.

Based on the forgoing, I am of the opinion that:

1. The Landowner is a limited liability company organized and existing under the laws of the State of Florida.

2. The Landowner has the power to conduct its business and to undertake the funding of the development of the lands in the District as described in the Limited Offering Memoranda and to enter into the Documents.

3. The Documents have been duly authorized, executed and delivered by the Landowner and are in full force and effect. Assuming the due authorization, execution and delivery of such instruments by the other parties thereto and their authority to perform such instruments, the Documents constitute legal, valid and binding obligations of the Landowner, enforceable in accordance with their respective terms.

4. Nothing has come to my attention that would lead me to believe the information contained in the Limited Offering Memoranda under the captions "THE DEVELOPMENT," "THE LANDOWNER," "LITIGATION – The Landowner," and "CONTINUING DISCLOSURE" (as it relates to the Landowner only) does not accurately and fairly present the information purported to be shown or contains any untrue statement of a material fact nor omits to state any material fact necessary to make the statement made therein, in light of the circumstances under which they were made, not misleading as of the dates of the Limited Offering Memoranda or as of the date hereof.

5. The execution, delivery and performance of the Documents by the Landowner do not violate (i) the operating agreements of the Landowner, (ii) to my knowledge, any agreement, instrument or Federal or Florida law, rule or regulation known to me to which the Landowner is a party or by which



any of such entity's assets are or may be bound; or (iii) to my knowledge, any judgment, decree or order of any administrative tribunal, which judgment, decree, or order is binding on the Landowner or its assets.

6. Nothing has come to my attention that would lead me to believe that the Landowner is not in compliance in all material respects with all provisions of applicable law in all material matters relating to such entity as described in the Limited Offering Memoranda. Except as otherwise described in the Limited Offering Memoranda, (a) I have no knowledge that the Landowner has not received all government permits, consents and licenses required in connection with the construction and completion of the development of the Series 2020 Project and the lands in the District as described in the Limited Offering Memoranda; (b) I have no knowledge of any default of any zoning condition, land use permit or development agreement which would adversely affect the Landowner's ability to complete development of the Series 2020 Project and the lands in the District as described in the Limited Offering Memoranda and all appendices thereto; and (c) I have no knowledge and am not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the development of the lands in the District as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowner.

7. To the best of my knowledge after due inquiry, the levy of the Series 2020 Special Assessments on the applicable lands within the District will not conflict with or constitute a breach of or default under any agreement, indenture or other instrument to which the Landowner is a party or to which the Landowner or any of its property or assets are subject.

8. To the best of my knowledge after due inquiry, there is no litigation pending which would prevent or prohibit the development of the Series 2020 Project or the lands in the District in accordance with the descriptions thereof in the Limited Offering Memoranda and the Engineer's Report annexed thereto or which may result in any material adverse change in the respective business, properties, assets or financial condition of the Landowner.

9. To the best of my knowledge after due inquiry, 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. To the best of my knowledge after due inquiry, 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.

10. To the best of my knowledge after due inquiry, the Landowner is not in default under any mortgage, trust indenture, lease or other instrument to which it or any of its assets are subject, which default would have a material adverse effect on the Series 2020 Bonds or the development of the Series 2020 Project or the lands in the District.

This opinion is given as of the date hereof, and I disclaim any obligation to update this opinion letter for events occurring after the date of this opinion letter. The foregoing opinion applies only with respect to the laws of the State of Florida and the federal laws of the United States of America and I express no opinion with respect to the laws of any other jurisdiction. Nothing herein shall be construed as an opinion regarding the possible applicability of state securities or "blue sky" laws, as to which no opinion is expressed. This letter is for the benefit of and may be relied upon solely by the addressees and this opinion may not be relied upon in any manner, nor used, by any other persons or entities.

My opinion as to enforceability of any document is subject to limitations imposed by bankruptcy, insolvency, reorganization, moratorium, liquidation, readjustment of debt, or similar laws relating to or

affecting creditor's rights generally and general principles of equity (regardless of whether such enforceability is considered in a proceeding in equity or at law), and to the exercise of judicial discretion in appropriate cases.

Very truly yours,

STRAUGHN & TURNER, P.A.

## **EXHIBIT F**

### **CERTIFICATE OF LANDOWNER**

[\_\_\_\_\_,] a Florida limited liability company (the "Landowner"), DOES HEREBY CERTIFY, that:

1. This Certificate of the Landowner is furnished pursuant to Section 8(c)(10) of the Bond Purchase Contract dated \_\_\_\_\_, 2020 (the "Purchase Contract") between North Powerline Road Community Development District (the "District") and FMSbonds, Inc. (the "Underwriter") relating to the sale by the District of its \$\_\_\_\_\_ original aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract.

2. The Landowner is a limited liability company organized and existing under the laws of the State of Florida.

3. Representatives of the Landowner have provided information to the District to be used in connection with the offering by the District of its Series 2020 Bonds, pursuant to a Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2020 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2020, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

4. The Declaration of Consent to Jurisdiction of North Powerline Road Community Development District and to Imposition of Special Assessments dated \_\_\_\_\_, 2020 executed by the Landowner and to be recorded in the public records of Polk County, Florida (the "Declaration of Consent"), constitutes a valid and binding obligation of the Landowner, enforceable against the Landowner in accordance with its terms.

5. The Landowner has reviewed and approved the information contained in the Limited Offering Memoranda under the captions "THE SERIES 2020 PROJECT," "THE DEVELOPMENT," "THE LANDOWNER," "BONDOWNERS' RISKS" (as it relates to the Landowner, the Development and non-specific Bondholder risks), "LITIGATION – The Landowner" and "CONTINUING DISCLOSURE" (as it relates to the Landowner) and warrants and represents that such information did not as of their respective dates, and does not as of the date hereof, contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. In addition, the Landowner is not aware of any other information in the Limited Offering Memoranda that contains an untrue statement of a material fact or omits to state a material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading.

6. The Landowner represents and warrants that it has complied with and will continue to comply with Chapter 190.048, Florida Statutes, as amended.

7. 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 in the Limited Offering Memoranda.

8. The Landowner hereby represents that it owns that the lands in the District that will be subject to the Series 2020 Special Assessments as described in the Limited Offering Memoranda, and the

Landowner hereby consents to the levy of the Series 2020 Special Assessments on the lands in the Series 2020 Assessment Area owned by the Landowner. The levy of the Series 2020 Special Assessments on the lands in the Series 2020 Assessment Area 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.

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.

10. The Landowner acknowledges that the Series 2020 Bonds have the debt service requirements set forth in the Limited Offering Memorandum and that the Series 2020 Special Assessments will be levied by the District at times, and in amounts sufficient, to enable the District to pay debt service on the Series 2020 Bonds when due.

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

12. Except as otherwise disclosed in the Limited Offering Memoranda, there is no action, suit or 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 Financing Documents, Declaration of Consent and/or Ancillary Documents to which the Landowner is a party, (b) contesting or affecting the validity or enforceability of the Financing Documents, Declaration of Consent and/or Ancillary 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 (d) that would have a material and adverse effect upon the ability of the Landowner to (i) complete the development of lands within the District as described in the Limited Offering Memoranda, (ii) pay the Series 2020 Special Assessments, or (iii) perform its various obligations as described in the Limited Offering Memoranda.

13. To the best of our knowledge after due inquiry, the Landowner is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Development as described in the Limited Offering Memoranda, including applying for all necessary permits. Except as otherwise described in the Limited Offering Memoranda, (a) the Development is zoned and properly designated for its intended use; (b) all government permits other than certain permits, which permits are expected to be received as needed, have been received; (c) the Landowner is not aware of any default of any zoning condition, permit or development agreement which would adversely affect the Landowner's ability to complete or cause the completion of development of the Series 2020 Assessment Area as described in the Limited Offering Memoranda and all appendices thereto; and (d) there is no reason to believe that any permits, consents and licenses required to complete the development of the Series 2020 Assessment Area as described in the Offering Memoranda will not be obtained as required.

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

15. [The Landowner has not previously entered into any continuing disclosure undertakings pursuant to SEC Rule 15c2-12.]

16. The Landowner is not in default of any obligations to pay special assessments, and the Landowner is not insolvent.

Dated: \_\_\_\_\_, 2020.

[\_\_\_\_\_, a Florida limited liability company]

By: \_\_\_\_\_  
\_\_\_\_\_, its Manager

## **APPENDIX G**

### **CERTIFICATE OF ENGINEER**

CERTIFICATE OF ABSOLUTE ENGINEERING, INC. (the "Engineers"), DOES HEREBY CERTIFY, that:

1. This certificate is furnished pursuant to Section 8(c)(17) of the Bond Purchase Contract dated \_\_\_\_\_, 2020 (the "Purchase Contract"), by and between North Powerline Road Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$\_\_\_\_\_ original aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2020 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2020, including the appendices attached thereto, relating to the Bonds (collectively, the "Limited Offering Memoranda"), as applicable.

2. The Engineers have been retained by the District as consulting engineers.

3. The plans and specifications for the Series 2020 Project (as described in the Limited Offering Memoranda) were approved by all regulatory bodies required to approve them. All environmental and other regulatory permits or approvals required in connection with the construction of the Series 2020 Project were obtained.

4. The Engineers prepared the report entitled "Amended and Restated Engineer's Report" dated [August 2019] (the "Report"). The Report was prepared in accordance with generally accepted engineering principles. The Report is included as "APPENDIX A: ENGINEER'S REPORT" to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and a description of the Report and certain other information relating to the Series 2020 Project are included in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum under the captions "THE SERIES 2020 PROJECT" and "THE DEVELOPMENT." The Report and said information are true and complete in all material respects, contain no untrue statement of a material fact, and do not omit to state a material fact necessary to make the statements made therein, in light of the circumstances under which they were made, not misleading.

5. The Engineers hereby consent to the inclusion of the Report as "APPENDIX A: ENGINEER'S REPORT" to the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum and to the references to the Engineers in the Preliminary Limited Offering Memorandum and the Limited Offering Memorandum.

6. The Series 2020 Project is being constructed in sound workmanlike manner and in accordance with industry standards.

7. The price being paid by the District to the District for acquisition of the improvements included within the Series 2020 Project will not exceed the lesser of the cost of the Series 2020 Project or the fair market value of the assets acquired by the District.

8. To the best of our knowledge, after due inquiry, the Landowner is in compliance in all material respects with all provisions of applicable law in all material matters relating to the Landowner and the Development as described in the Limited Offering Memoranda. Except as otherwise described in

the Limited Offering Memoranda, (a) all government permits required in connection with the construction of the Development as described in the Limited Offering Memoranda have been received; (b) we are not aware of the any default of any zoning condition, land use permit or development agreement which would adversely affect the ability to complete development of the Development as described in the Limited Offering Memoranda and all appendices thereto; and (c) we have no actual knowledge and are not otherwise aware of any reason to believe that any permits, consents and licenses required to complete the Development as described in the Limited Offering Memoranda will not be obtained in due course as required by the Landowner, or any other person or entity, necessary for the development of the Development as described in the Limited Offering Memoranda and all appendices thereto.

9. There is adequate water and sewer service capacity to serve the Development within the District.

Date: \_\_\_\_\_, 2020

**ABSOLUTE ENGINEERING, INC.**

By: \_\_\_\_\_  
Print Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT H**

### **CERTIFICATE OF DISTRICT MANAGER AND METHODOLOGY CONSULTANT**

\_\_\_\_\_, 2020

North Powerline Road Community Development District  
Polk County, Florida

FMSbonds, Inc.  
North Miami Beach, Florida

Re:     \$\_\_\_\_\_ North Powerline Road Community Development District Special  
             Assessment Bonds, Series 2020

Ladies and Gentlemen:

The undersigned representative of Governmental Management Services – Central Florida, LLC ("GMS"), DOES HEREBY CERTIFY:

1.        This certificate is furnished pursuant to Section 8(c)(18) of the Bond Purchase Contract dated \_\_\_\_\_, 2020 (the "Purchase Contract"), by and between North Powerline Road Community Development District (the "District") and FMSbonds, Inc. with respect to the District's \$\_\_\_\_\_ original aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds"). Capitalized terms used, but not defined, herein shall have the meaning assigned thereto in the Purchase Contract or the Limited Offering Memoranda relating to the Series 2020 Bonds, as applicable.

2.        GMS has acted as district manager and methodology consultant to the District in connection with the sale and issuance by the District of its Series 2020 Bonds and has participated in the preparation of the Preliminary Limited Offering Memorandum dated \_\_\_\_\_, 2020 and the Limited Offering Memorandum, dated \_\_\_\_\_, 2020, including the appendices attached thereto (collectively, the "Limited Offering Memoranda").

3.        In connection with the issuance of the Series 2020 Bonds, we have been retained by the District to review the Master Assessment Methodology dated July 11, 2018, prepared by Fishkind & Associates, Inc. (the "Master Methodology") and to prepare the Supplemental Assessment Methodology – Phase 1 dated \_\_\_\_\_, 2020 (the "Supplemental Methodology" and, together with the Master Methodology, the "Assessment Methodology"), which Assessment Methodology has been included as an appendix to the Limited Offering Memoranda. We hereby consent to the use of the Supplemental Methodology in the Limited Offering Memoranda and consent to the references to us therein.

4.        As District Manager, nothing has come to our attention that would lead us to believe that the Limited Offering Memoranda, as they relate to the District, the Series 2020 Project, or any information provided by us, and the Assessment Methodology, as of their respective dates and as of this date, contained or contains any untrue statement of a material fact or omitted or omits to state a material fact necessary to be stated therein in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.



5. The information set forth in the Limited Offering Memoranda under the subcaptions "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS," "THE DISTRICT," "FINANCIAL STATEMENTS," "LITIGATION" (insofar as such description relates to the District), "DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS," "CONTINUING DISCLOSURE," "CONTINGENT FEES," and in "APPENDIX E: ASSESSMENT METHODOLOGY" 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.

6. To the best of our knowledge, there has been no change which would materially adversely affect the assumptions made or the conclusions reached in the Assessment Methodology and the considerations and assumptions used in compiling the Assessment Methodology are reasonable. The Assessment Methodology and the assessment methodology set forth therein were prepared in accordance with all applicable provisions of Florida law.

7. As District Manager 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 Series 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 Series 2020 Bonds, or the existence or powers of the District.

8. The Series 2020 Special Assessments, as initially levied and as may be reallocated from time to time as permitted by resolutions adopted by the District, are sufficient to enable the District to pay the debt service on the Series 2020 Bonds through the final maturity thereof.

Dated: \_\_\_\_\_, 2020.

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC**, a  
Florida limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**EXHIBIT C**

**FORM OF PRELIMINARY LIMITED OFFERING MEMORANDUM**

**PRELIMINARY LIMITED OFFERING MEMORANDUM DATED \_\_\_\_\_, 2020**

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

**NOT RATED**

*In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming continuing compliance with certain tax covenants, under existing statutes, regulations, rulings and court decisions, interest on the Series 2020 Bonds (as hereinafter defined) is excludable from gross income for federal income tax purposes. Further, interest on the Series 2020 Bonds will not be an item of tax preference for purposes of the alternative minimum tax imposed on individuals. See "TAX MATTERS" herein for a description of certain other federal tax consequences of ownership of the Series 2020 Bonds. Bond Counsel is further of the opinion that the Series 2020 Bonds and the income thereon are not subject to taxation under the laws of the State of Florida, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income or profits on debt obligations owned by corporations as defined in said Chapter 220. See "TAX MATTERS" herein.*

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
(POLK COUNTY, FLORIDA)**

**\$5,645,000\*  
SPECIAL ASSESSMENT BONDS, SERIES 2020**

**Dated: Date of Delivery**

**Due: As described herein**

The North Powerline Road Community Development District Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds") are being issued by the North Powerline Road Community Development District (the "District" or the "Issuer") in fully registered form, without coupons, in authorized denominations of \$5,000 and any integral multiple thereof. The Series 2020 Bonds will bear interest at the fixed rates set forth in the inside cover page hereof, calculated on the basis of a 360-day year comprised of twelve 30-day months, payable semi-annually on each May 1 and November 1, commencing [\_\_\_\_\_] 1, 20\_\_\_\_. The Series 2020 Bonds, when issued, will be registered in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), New York, New York. Purchases of beneficial interests in the Series 2020 Bonds will be made in book-entry-only form and purchasers of beneficial interests in the Series 2020 Bonds will not receive physical bond certificates. For so long as the book-entry only system is maintained, the principal of and interest on the Series 2020 Bonds will be paid from the sources provided by the Indenture (as defined herein) by U.S. Bank National Association, as trustee (the "Trustee"), to Cede & Co., as nominee of 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 DTC Participants and Indirect Participants, as more fully described herein. Any purchaser, as a beneficial owner of a Series 2020 Bond, must maintain an account with a broker or dealer who is, or acts through, a DTC Participant in order to receive payment of the principal of, premium, if any, and interest on such Series 2020 Bond. See "DESCRIPTION OF THE SERIES 2020 BONDS – Book-Entry Only System" herein.

The Series 2020 Bonds are being issued for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project (as defined herein), (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement (each as defined herein), (iii) paying a portion of the interest coming due on the Series 2020 Bonds and (iv) paying the costs of issuance of the Series 2020 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 18-036 enacted by the Board of County Commissioners of Polk County, Florida (the "County") on June 5, 2018 (the "Original Ordinance") and approved and consented to by the City Commission of the City of Davenport, Florida (the "City") by Resolution No. 387-18 adopted on March 19, 2018. The Series 2020 Bonds are being issued pursuant to the Act, Resolution No. 2018-25 adopted by the Board of Supervisors (the "Board") of the District on July 18, 2018 and Resolution No. 2020-02 adopted by the Board on February 5, 2020, which rescinded and repealed Resolution No. 2019-04 previously adopted by the Board on September 11, 2019 (collectively, the "Resolution"), and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as of \_\_\_\_\_ 1, 2020 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and the Trustee. Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

The Series 2020 Bonds are payable from and secured solely by the Series 2020 Pledged Revenues. The Series 2020 Pledged Revenues for the Series 2020 Bonds consist of (a) all revenues received by the District from the Series 2020 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2020 Assessment Area benefitted by the Series 2020 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2020 Bonds; provided, however, that the Series 2020 Pledged Revenues shall not include (A) any moneys transferred to the Series 2020 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund and (C) "special assessments" levied and collected by the District under Section 190.022, Florida Statutes, for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3), Florida Statutes (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses of (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS" herein.

The Series 2020 Bonds are subject to optional redemption, mandatory sinking fund redemption and extraordinary mandatory redemption at the times, in the amounts, and at the redemption prices more fully described herein under the caption "DESCRIPTION OF THE SERIES 2020 BONDS — Redemption Provisions."

THE SERIES 2020 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM THE SERIES 2020 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE CITY OF DAVENPORT, FLORIDA (THE "CITY"), POLK COUNTY, FLORIDA (THE "COUNTY"), THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2020 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION SERIES 2020 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2020 BONDS. THE SERIES 2020 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2020 Bonds involve a degree of risk (see "BONDOWNERS' RISKS" herein) and are not suitable for all investors (see "SUITABILITY FOR INVESTMENT" herein). Pursuant to Florida law, the Underwriter (as defined herein) is limiting this offering to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2020 Bonds. The Series 2020 Bonds are not credit enhanced or rated and no application has been made for a rating with respect to the Series 2020 Bonds.

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

#### MATURITY SCHEDULE

\$ _____	—	_____ % Term Bond due _____	1, 20 _____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	—	_____ % Term Bond due _____	1, 20 _____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	—	_____ % Term Bond due _____	1, 20 _____	, Yield _____ %	, Price _____	CUSIP # _____	**
\$ _____	—	_____ % Term Bond due _____	1, 20 _____	, Yield _____ %	, Price _____	CUSIP # _____	**

The Series 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 Greenberg Traurig, P.A., Miami, Florida, Bond Counsel, as to the validity of the Series 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, GrayRobinson, P.A., Tampa, Florida, for the District by its counsel, Hopping Green & Sams, P.A., Tallahassee, Florida, and for the Landowner (as defined herein) by its counsel, Straughn & Turner, P.A., Winter Haven, Florida. It is expected that the Series 2020 Bonds will be delivered in book-entry form through the facilities of DTC on or about \_\_\_\_\_, 2020.

### FMSbonds, Inc.

Dated: \_\_\_\_\_, 2020

\* Preliminary, subject to change.

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

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT**

**BOARD OF SUPERVISORS**

Warren K. "Rennie" Heath II, Chair\*  
Lauren Schwenk, Vice Chair\*  
Kevin Chinoy, Assistant Secretary\*  
Phillip Allende, Assistant Secretary\*  
Andrew Rhinehart, Assistant Secretary\*

\* Affiliated with the Landowner or its affiliates

**DISTRICT MANAGER AND METHODOLOGY CONSULTANT**

Governmental Management Services – Central Florida, LLC  
Orlando, Florida

**DISTRICT ENGINEER**

Absolute Engineering, Inc.  
Tampa, Florida

**DISTRICT COUNSEL**

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

**BOND COUNSEL**

Greenberg Traurig, P.A.  
Miami, 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 SERIES 2020 BONDS AND THERE SHALL BE NO OFFER, SOLICITATION, OR SALE OF THE SERIES 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 (AS HEREINAFTER DEFINED), THE DISTRICT, PUBLIC DOCUMENTS, RECORDS AND OTHER SOURCES, WHICH SOURCES ARE BELIEVED TO BE RELIABLE BUT WHICH INFORMATION IS NOT GUARANTEED AS TO ACCURACY OR COMPLETENESS BY, AND IS NOT TO BE CONSTRUED AS A REPRESENTATION OF, THE UNDERWRITER NAMED ON THE COVER PAGE OF THIS LIMITED OFFERING MEMORANDUM. THE UNDERWRITER HAS REVIEWED THE INFORMATION IN THIS LIMITED OFFERING MEMORANDUM IN ACCORDANCE WITH, AND AS PART OF, 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 IN THE STATUS OF THE DEVELOPMENT OR THE SERIES 2020 PROJECT (AS SUCH TERMS ARE HEREINAFTER DEFINED) SINCE THE DATE HEREOF.

THE SERIES 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 SERIES 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, THE COUNTY, THE STATE, NOR ANY OTHER POLITICAL SUBDIVISIONS THEREOF HAVE GUARANTEED OR PASSED UPON THE MERITS OF THE SERIES 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 ASSESSMENTS, AND VARIOUS OTHER FACTORS WHICH MAY BE BEYOND THE DISTRICT'S AND THE LANDOWNER'S CONTROL. BECAUSE THE DISTRICT AND THE LANDOWNER CANNOT PREDICT ALL

FACTORS THAT MAY AFFECT FUTURE DECISIONS, ACTIONS, EVENTS, OR FINANCIAL CIRCUMSTANCES, WHAT ACTUALLY HAPPENS MAY BE DIFFERENT FROM WHAT IS INCLUDED IN FORWARD-LOOKING STATEMENTS.

THE ACHIEVEMENT OF CERTAIN RESULTS OR OTHER EXPECTATIONS CONTAINED IN SUCH FORWARD-LOOKING STATEMENTS INVOLVE KNOWN AND UNKNOWN RISKS, UNCERTAINTIES AND OTHER FACTORS WHICH MAY CAUSE ACTUAL RESULTS, PERFORMANCE OR ACHIEVEMENTS DESCRIBED TO BE MATERIALLY DIFFERENT FROM ANY FUTURE RESULTS, PERFORMANCE OR ACHIEVEMENTS EXPRESSED OR IMPLIED BY SUCH FORWARD-LOOKING STATEMENTS. THE DISTRICT AND THE LANDOWNER DO NOT PLAN TO ISSUE ANY UPDATES OR REVISIONS TO THOSE FORWARD-LOOKING STATEMENTS IF OR WHEN ANY OF THEIR EXPECTATIONS CHANGE 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 ONLY IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) AND [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). THIS LIMITED OFFERING MEMORANDUM MAY BE RELIED UPON ONLY IF IT IS PRINTED IN ITS ENTIRETY DIRECTLY FROM SUCH WEBSITE.

THIS PRELIMINARY LIMITED OFFERING MEMORANDUM IS IN A FORM DEEMED FINAL BY THE DISTRICT FOR PURPOSES OF RULE 15C2-12 UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS AMENDED, EXCEPT FOR CERTAIN INFORMATION PERMITTED TO BE OMITTED PURSUANT TO RULE 15C2-12(B)(1).

## TABLE OF CONTENTS

	Page
INTRODUCTION .....	1
DESCRIPTION OF THE SERIES 2020 BONDS.....	3
General Description .....	3
Redemption Provisions .....	4
Book-Entry Only System.....	7
SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS .....	9
General.....	9
Prepayment of Series 2020 Special Assessments .....	10
Additional Bonds .....	11
Covenant Against Sale or Encumbrance.....	11
Acquisition and Construction Account and Escrow Subaccount .....	11
Reserve Account .....	13
Deposit and Application of the Pledged Revenues.....	15
Investments .....	15
Master Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner .....	16
Events of Default and Remedies.....	17
ENFORCEMENT OF ASSESSMENT COLLECTIONS .....	19
General.....	19
Direct Billing & Foreclosure Procedure .....	20
Uniform Method Procedure .....	20
BONDOWNERS' RISKS .....	23
Concentration of Land Ownership.....	23
Bankruptcy and Related Risks .....	23
Series 2020 Special Assessments Are Non-Recourse .....	24
Regulatory and Environmental Risks .....	24
Economic Conditions and Changes in Development Plans.....	25
Other Taxes and Assessments.....	25
Limited Secondary Market for Series 2020 Bonds.....	26
Inadequacy of the Reserve Account .....	26
Legal Delays .....	27
IRS Examination and Audit Risk.....	27
Loss of Exemption from Securities Registration.....	29
Federal Tax Reform .....	29
State Tax Reform .....	29
Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes within the Series 2020 Assessment Area.....	29
Payment of Series 2020 Special Assessments after Bank Foreclosure.....	30



# TABLE OF CONTENTS

## (continued)

	Page
ESTIMATED SOURCES AND USES OF FUNDS .....	31
DEBT SERVICE REQUIREMENTS.....	32
THE DISTRICT .....	33
General.....	33
Governance .....	33
Powers and Authority .....	34
The District Manager and Other Consultants .....	35
No Outstanding Indebtedness .....	35
THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2020 PROJECT .....	36
ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS .....	38
THE DEVELOPMENT .....	41
General.....	41
Expansion of the District Boundary to Include the Annexed Parcel .....	41
Land Acquisition.....	42
Development Finance Plan .....	42
Development Status and Plan .....	42
Builder Contracts .....	42
Residential Product Offerings.....	45
Public Schools.....	45
Development Approvals .....	45
Environmental.....	46
Utilities.....	46
Taxes, Fees and Assessments .....	46
Amenities .....	47
Competition.....	47
Landowner Agreements .....	47
THE LANDOWNER.....	48
General.....	48
Development Manager.....	48
TAX MATTERS.....	49
General.....	49
[Original Issue Discount and Premium] .....	50
Changes in Federal and State Tax Law.....	50
Information Reporting and Backup Withholding .....	51
AGREEMENT BY THE STATE .....	51
LEGALITY FOR INVESTMENT .....	51
SUITABILITY FOR INVESTMENT .....	51
ENFORCEABILITY OF REMEDIES .....	52

**TABLE OF CONTENTS**  
**(continued)**

	<b>Page</b>
FINANCIAL STATEMENTS .....	52
LITIGATION.....	52
The District .....	52
The Landowner .....	52
NO RATING.....	53
DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS .....	53
CONTINUING DISCLOSURE.....	53
UNDERWRITING .....	53
CONTINGENT FEES .....	54
EXPERTS .....	54
VALIDATION.....	54
LEGAL MATTERS.....	54
MISCELLANEOUS .....	55
AUTHORIZATION AND APPROVAL.....	56
 <u>APPENDICES</u>	
APPENDIX A	ENGINEER'S REPORT
APPENDIX B	PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE
APPENDIX C	PROPOSED FORM OF OPINION OF BOND COUNSEL
APPENDIX D	ASSESSMENT METHODOLOGY
APPENDIX E	PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT
APPENDIX F	DISTRICT'S FINANCIAL STATEMENTS

**LIMITED OFFERING MEMORANDUM**  
**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT**  
**(POLK COUNTY, FLORIDA)**

**\$5,645,000\***  
**SPECIAL ASSESSMENT BONDS, SERIES 2020**

**INTRODUCTION**

The purpose of this Limited Offering Memorandum, including the cover page, inside cover and appendices hereto, is to provide certain information in connection with the issuance and sale by North Powerline Road Community Development District (the "District" or the "Issuer") of its \$5,645,000\* aggregate principal amount of Special Assessment Bonds, Series 2020 (the "Series 2020 Bonds").

PROSPECTIVE INVESTORS SHOULD BE AWARE OF CERTAIN RISK FACTORS, ANY OF WHICH, IF MATERIALIZED TO A SUFFICIENT DEGREE, COULD DELAY OR PREVENT PAYMENT OF PRINCIPAL OF AND/OR INTEREST ON THE SERIES 2020 BONDS. THE SERIES 2020 BONDS ARE NOT A SUITABLE INVESTMENT FOR ALL INVESTORS. PURSUANT TO APPLICABLE STATE LAW, THE UNDERWRITER IS LIMITING THIS INITIAL OFFERING OF THE SERIES 2020 BONDS TO ONLY ACCREDITED INVESTORS WITHIN THE MEANING OF CHAPTER 517, FLORIDA STATUTES, AND THE RULES OF THE FLORIDA DEPARTMENT OF FINANCIAL SERVICES PROMULGATED THEREUNDER. THE LIMITATION OF THE INITIAL OFFERING TO ACCREDITED INVESTORS DOES NOT DENOTE RESTRICTIONS ON TRANSFER IN ANY SECONDARY MARKET FOR THE SERIES 2020 BONDS. See "SUITABILITY FOR INVESTMENT" and "BONDOWNERS' RISKS" herein.

The District is a local unit of special-purpose government of the State of Florida (the "State"), created in accordance with the Uniform Community Development District Act of 1980, Chapter 190, Florida Statutes, as amended (the "Act"), and by Ordinance No. 18-036 duly enacted by the Board of County Commissioners of Polk County, Florida (the "County") on June 5, 2018 (the "Original Ordinance") and approved and consented to by the City Commission of the City of Davenport, Florida (the "City") by Resolution No. 387-18 adopted on March 19, 2018. The District was established for the purpose of financing the acquisition and construction of and managing the maintenance and operation of certain community development services and facilities within and without its boundaries. The Act authorizes the District to issue bonds for purposes, among others, of financing and refinancing the costs of planning, financing, acquisition, design construction, reconstruction, equipping and installation of potable water and wastewater facilities.

The District encompasses approximately 190.56 gross acres of land (the "Existing District Lands") and is located partially within unincorporated Polk County and partially within the City. The District is in the process of amending its boundaries to include an additional approximately [ ] gross acres of land planned for 8 developable units and recreation facilities located immediately to the west of the Existing District Lands (the "Annexed Parcel" and, together with the Existing District Lands, the "District Lands"). For more complete information about the District, its Board of Supervisors and the District Manager, see "THE DISTRICT" herein.

---

\* Preliminary, subject to change.

The District Lands are being developed in phases as a residential community known as Bella Vita (the "Development"). At buildout, the Development (including the Annexed Parcel) is expected to consist of approximately [585] single-family homes, recreation and amenity areas, parks and associated infrastructure. See "THE DEVELOPMENT" herein for more information.

Net proceeds of the Series 2020 Bonds will fund a portion of the costs of constructing or acquiring public infrastructure improvements associated with the development of Phase 1 within the Development (the "Series 2020 Project"). [The Series 2020 Special Assessments will be levied on (i) initially the approximately 81.38 gross acres of land in Phase 1 of the District planned for [273] single-family homes and (ii) subject to satisfaction of the Release Conditions set forth in the First Supplemental Indenture, including compliance with the completion of the statutory provisions regarding the imposition of special assessments, on the approximately [ ] gross acres within the Annexed Parcel planned for 8 residential lots (collectively, the "Series 2020 Assessment Area").] See "THE SERIES 2020 PROJECT" herein for more information regarding the Series 2020 Project and "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and APPENDIX D: ASSESSMENT METHODOLOGY hereto for more information regarding the Series 2020 Special Assessments.

[ ], a Florida limited liability company (the "Landowner"), is the owner of the lands within the Series 2020 Assessment Area. See "THE LANDOWNER" herein for more information. The Landowner has entered into contracts with the following builders for the sale of developed lots within the Development: [(i) Lennar Homes (as defined herein) for the purchase of [73] developed lots, (ii) D.R. Horton (as defined herein) for the purchase of 142 developed lots and (iii) Adams Homes (as defined herein) for the purchase of 51 developed lots.] See "THE DEVELOPMENT – Builder Contracts" herein for more information.

The Series 2020 Bonds are being issued pursuant to the Act, Resolution No. 2018-25 adopted by the Board of Supervisors (the "Board") of the District on July 18, 2018 and Resolution No. 2020-02 adopted by the Board on February 5, 2020, which rescinded and repealed Resolution No. 2019-04 previously adopted by the Board on September 11, 2019 (collectively, the "Resolution"), and a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "Master Indenture"), as supplemented by a First Supplemental Trust Indenture, dated as \_\_\_\_\_ 1, 2020 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each by and between the District and U.S. Bank National Association, as trustee (the "Trustee"). Capitalized terms not otherwise defined herein shall have the meanings assigned to them in the Indenture. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" hereto.

The Series 2020 Bonds are being issued for the purposes of: (i) providing funds to pay all or a portion of the costs of the planning, financing, acquisition, construction, equipping and installation of the Series 2020 Project, (ii) funding a deposit to the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement (each as defined herein), (iii) paying a portion of the interest coming due on the Series 2020 Bonds and (iv) paying the costs of issuance of the Series 2020 Bonds. See "ESTIMATED SOURCES AND USES OF FUNDS" herein.

The Series 2020 Bonds are payable from and secured solely by the Series 2020 Pledged Revenues. The Series 2020 Pledged Revenues for the Series 2020 Bonds consist of (a) all revenues received by the District from the Series 2020 Special Assessments levied and collected on the assessable lands within the Series 2020 Assessment Area benefitted by the Series 2020 Project, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2020 Bonds;

provided, however, that the Series 2020 Pledged Revenues shall not include (A) any moneys transferred to the Series 2020 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund and (C) "special assessments" levied and collected by the District under Section 190.022, Florida Statutes, for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3), Florida Statutes (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses of (A), (B) and (C) of this proviso). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS" herein.

Set forth herein are brief descriptions of the District, the Series 2020 Assessment Area, the Series 2020 Project, the Landowner and the Development, together with summaries of terms of Series 2020 Bonds, the Indenture, and certain provisions of the Act. All references herein to the Indenture and the Act are qualified in their entirety by reference to such documents and the Act and all references to the Series 2020 Bonds are qualified by reference to the definitive forms thereof and the information with respect thereto contained in the Indenture. Proposed forms of the Master Indenture and the First Supplemental Indenture appear as APPENDIX B attached hereto.

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

## **DESCRIPTION OF THE SERIES 2020 BONDS**

### **General Description**

The Series 2020 Bonds will be dated the date, will bear interest at the rates per annum (computed on the basis of a 360-day year consisting of twelve 30-day months) and, subject to the redemption provisions set forth below, will mature on the dates and in the amounts set forth on the inside cover pages of this Limited Offering Memorandum. Interest on the Series 2020 Bonds shall be payable on each Interest Payment Date to maturity or prior redemption. Interest on the Series 2020 Bonds shall be payable from the most recent Interest Payment Date next preceding the date of authentication thereof to which interest has been paid, unless the date of authentication thereof is a May 1 or November 1 to which interest has been paid, in which case from such date of authentication, or unless the date of authentication thereof is prior to [\_\_\_\_\_, 2020], in which case from the date of initial delivery or unless the date of authentication thereof is between a Record Date and the next succeeding Interest Payment Date, in which case from such Interest Payment Date. U.S. Bank National Association is the initial Trustee, Paying Agent and Registrar for the Series 2020 Bonds.

The Series 2020 Bonds will be issued in fully registered form, without coupons, in authorized denominations of \$5,000 and any integral multiple thereof provided, except as otherwise provided in the Indenture. The Series 2020 Bonds will initially be offered only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, as amended, and the rules of the Florida Department of Financial Services promulgated thereunder; provided, however, the limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market for the Series 2020 Bonds. See "SUITABILITY FOR INVESTMENT" herein.

Upon initial issuance, the Series 2020 Bonds shall be issued as one fully registered bond for each maturity of Series 2020 Bonds and deposited with The Depository Trust Company ("DTC"), New York, New York, which is responsible for establishing and maintaining records of ownership for its participants. As long as the Series 2020 Bonds are held in book-entry-only form, Cede & Co. shall be considered the registered owner for all purposes of the Indenture. DTC shall be responsible for maintaining a book-entry-only system for recording the ownership interest of its participants ("DTC Participants") and other

institutions that clear through or maintain a custodial relationship with a DTC Participant, either directly or indirectly ("Indirect Participants"). The DTC Participants and Indirect Participants will be responsible for maintaining records with respect to the beneficial ownership interests of individual purchasers of the Series 2020 Bonds ("Beneficial Owners"). Principal and interest on the Series 2020 Bonds registered in the name of Cede & Co. prior to and at maturity shall be payable directly to Cede & Co. in care of DTC. Disbursal of such amounts to DTC Participants shall be the responsibility of DTC. Payments by DTC Participants to Indirect Participants, and by DTC Participants and Indirect Participants to Beneficial Owners shall be the responsibility of DTC Participants and Indirect Participants and not of DTC, the Trustee or the District. During the period for which Cede & Co. is registered owner of the Series 2020 Bonds, any notices to be provided to any Beneficial Owner will be provided to Cede & Co. DTC shall be responsible for notices to DTC Participants and DTC Participants shall be responsible for notices to Indirect Participants, and DTC Participants and Indirect Participants shall be responsible for notices to Beneficial Owners. In the event DTC, any successor of DTC or the District, but only in accordance with the procedures of DTC, elects to discontinue the book-entry only system for the Series 2020 Bonds, the Trustee shall deliver bond certificates in accordance with the instructions from DTC or its successor, and after such time the Series 2020 Bonds may be exchanged for an equal aggregate principal amount of such Series 2020 Bonds in other Authorized Denominations upon surrender thereof at the designated corporate trust office of the Trustee. See "- Book-Entry Only System" herein.

## **Redemption Provisions**

### **Optional Redemption**

The Series 2020 Bonds maturing on or after \_\_\_\_\_ 1, 20\_\_ may, at the option of the District be called for redemption prior to maturity as a whole or in part, at any time, on or after \_\_\_\_\_ 1, 20\_\_ (less than all Series 2020 Bonds of a maturity to be selected by lot), at a Redemption Price equal to the principal amount of Series 2020 Bonds to be redeemed, plus accrued interest from the most recent Interest Payment Date through which interest has been paid to the redemption date from moneys on deposit in the Series 2020 Optional Redemption Subaccount of the Series 2020 Bond Redemption Account. If such optional redemption shall be in part, the District shall select such principal amount of Series 2020 Bonds to be optionally redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level.

### **Mandatory Sinking Fund Redemption**

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

	<b>Mandatory Sinking Fund</b>
<b><u>Year</u></b>	<b><u>Redemption Amount</u></b>

\$

\*

\_\_\_\_\_  
\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the

years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

The Series 2020 Bonds maturing on \_\_\_\_\_ 1, 20\_\_ are subject to mandatory sinking fund redemption from the moneys on deposit in the Series 2020 Sinking Fund Account on \_\_\_\_\_ 1 in the years and in the mandatory sinking fund redemption amounts set forth below at a Redemption Price of 100% of their principal amount plus accrued interest to the date of redemption.

<u>Year</u>	<u>Mandatory Sinking Fund Redemption Amount</u>
	\$

\*

---

\*Maturity

Upon any redemption of Series 2020 Bonds other than in accordance with scheduled Sinking Fund Installments, the District shall cause to be recalculated and delivered to the Trustee revised Sinking Fund Installments recalculated so as to amortize the Outstanding principal amount of Series 2020 Bonds in substantially equal annual installments of principal and interest (subject to rounding to Authorized Denominations of principal) over the remaining term of the Series 2020 Bonds. The Sinking Fund Installments as so recalculated shall not result in an increase in the aggregate of the Sinking Fund Installments for all Series 2020 Bonds in any year. In the event of a redemption or purchase occurring less than 45 days prior to a date on which a Sinking Fund Installment is due, the foregoing recalculation shall not be made to Sinking Fund Installments due in the year in which such redemption or purchase occurs, but shall be made to Sinking Fund Installments for the immediately succeeding and subsequent years.

### **Extraordinary Mandatory Redemption**

The Series 2020 Bonds are subject to extraordinary mandatory redemption prior to maturity by the District in whole or in part, on any date (other than in the case of clause (i) below, which extraordinary mandatory redemption in part must occur on a Quarterly Redemption Date), at a Redemption Price equal to 100% of the principal amount of the Series 2020 Bonds to be redeemed, plus interest accrued to the redemption date, as follows:

(i) from Series 2020 Prepayment Principal deposited into the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account following the payment in whole or in part of Series 2020 Special Assessments on any assessable property within the District in accordance with the provisions of the First Supplemental Indenture, together with any excess moneys transferred by the Trustee from the Series 2020 Reserve Account to the Series 2020 Prepayment Subaccount as a result of such Series 2020 Prepayment and pursuant the First Supplemental Indenture. If such redemption shall be in part, the District shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level;

(ii) from moneys, if any, on deposit in the Series 2020 Funds, Accounts and Subaccounts in the Funds and Accounts (other than the Series 2020 Rebate Fund and the Series 2020 Acquisition and Construction Account) sufficient to pay and redeem all Outstanding Series 2020 Bonds and accrued interest thereon to the redemption date or dates in addition to all amounts owed to Persons under the Master Indenture;

(iii) upon the Completion Date, from any funds remaining on deposit in the Series 2020 Acquisition and Construction Account in accordance with the provisions the First Supplemental Indenture, not otherwise reserved to complete the Series 2020 Project and transferred to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account. If such redemption shall be in part, the Issuer shall select such principal amount of Series 2020 Bonds to be redeemed from each maturity so that debt service on the remaining Outstanding Series 2020 Bonds is substantially level; and

(iv) if the Release Conditions have not been satisfied by the Close-Out Date, a portion of the Series 2020 Bonds shall be subject to extraordinary mandatory redemption on the earliest date for which proper notice of redemption can be given after the Close-out Date from proceeds on deposit in the Series 2020 Escrow Subaccount transferred to the Series 2020 General Redemption Subaccount, plus the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement as calculated by the District with respect to the Series 2020 Bonds that will be Outstanding after such extraordinary mandatory redemption date.

### **Notice of Redemption**

When required to redeem or purchase Series 2020 Bonds under any provision of the Indenture or directed to do so by the District, the Trustee shall cause notice of the redemption, either in whole or in part, to be mailed at least thirty (30) but not more than sixty (60) days prior to the redemption or purchase date to all Owners of Series 2020 Bonds to be redeemed or purchased (as such Owners appear on the Bond Register on the fifth (5th) day prior to such mailing), at their registered addresses, but failure to mail any such notice or defect in the notice or in the mailing thereof shall not affect the validity of the redemption or purchase of the Series 2020 Bonds for which notice was duly mailed in accordance with the Indenture. If, at the time of mailing of notice of an optional redemption, the District shall not have deposited with the Trustee or Paying Agent moneys sufficient to redeem or purchase all of the Series 2020 Bonds called for redemption, such notice shall expressly state that the redemption is conditional and is subject to the deposit of the redemption moneys with the Trustee or Paying Agent, as the case may be,



not later than the opening of business on the redemption date or purchase date, and such notice shall be of no effect unless such moneys are so deposited.

### **Book-Entry Only System**

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

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

Purchases of Series 2020 Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the Series 2020 Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2020 Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 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 Series 2020 Bonds, except in the event that use of the book-entry system for the Series 2020 Bonds is discontinued.

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

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

Redemption proceeds, distributions, and dividend payments on the Series 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 Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Trustee, or the District, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the District or the Trustee, 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.

A Beneficial Owner shall give notice to elect to have its Series 2020 Bonds purchased or tendered, through its Participant, to the Trustee, and shall effect delivery of such Series 2020 Bonds by causing the Direct Participant to transfer the Participant's interest in the Series 2020 Bonds, on DTC's records, to the Trustee. The requirement for physical delivery of Series 2020 Bonds in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Series 2020 Bonds are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Series 2020 Bonds to the Trustee's DTC account.

DTC may discontinue providing its services as depository with respect to the Series 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, Series 2020 Bond certificates are required to be printed and delivered.

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

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

## **SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS**

### **General**

THE SERIES 2020 BONDS ARE LIMITED OBLIGATIONS OF THE DISTRICT PAYABLE SOLELY FROM THE SERIES 2020 PLEDGED REVENUES PLEDGED THEREFOR UNDER THE INDENTURE, AND NEITHER THE PROPERTY, THE FULL FAITH AND CREDIT, NOR THE TAXING POWER OF THE DISTRICT, THE COUNTY, THE STATE OF FLORIDA (THE "STATE"), OR ANY OTHER POLITICAL SUBDIVISION THEREOF, IS PLEDGED AS SECURITY FOR THE PAYMENT OF THE SERIES 2020 BONDS, EXCEPT THAT THE DISTRICT IS OBLIGATED UNDER THE INDENTURE TO LEVY AND TO EVIDENCE AND CERTIFY, OR CAUSE TO BE CERTIFIED, FOR COLLECTION SERIES 2020 SPECIAL ASSESSMENTS TO SECURE AND PAY THE SERIES 2020 BONDS. THE SERIES 2020 BONDS DO NOT CONSTITUTE AN INDEBTEDNESS OF THE DISTRICT, THE COUNTY, THE STATE, OR ANY OTHER POLITICAL SUBDIVISION THEREOF WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION OR LIMITATION.

The Series 2020 Bonds are payable from and secured solely by the Series 2020 Pledged Revenues. The Series 2020 Pledged Revenues for the Series 2020 Bonds consist of (a) all revenues received by the District from the Series 2020 Special Assessments (as defined herein) levied and collected on the assessable lands within the Series 2020 Assessment Area, including without limitation, amounts received from any foreclosure proceeding for the enforcement of collection of such Series 2020 Special Assessments or from the issuance and sale of tax certificates with respect to such Series 2020 Special Assessments, and (b) all moneys on deposit in the Funds and Accounts established under the Indenture, created and established with respect to or for the benefit of the Series 2020 Bonds; provided, however, that the Series 2020 Pledged Revenues shall not include (A) any moneys transferred to the Series 2020 Rebate Fund and investment earnings thereon, (B) moneys on deposit in the Series 2020 Costs of Issuance Account of the Acquisition and Construction Fund and (C) "special assessments" levied and collected by the District under Section 190.022, Florida Statutes, for maintenance purposes or "maintenance assessments" levied and collected by the District under Section 190.021(3), Florida Statutes (it being expressly understood that the lien and pledge of the Indenture shall not apply to any of the moneys described in the foregoing clauses of (A), (B) and (C) of this proviso).

The "Series 2020 Special Assessments" consist of the non-ad valorem special assessments imposed and levied by the District against the assessable lands within the District specially benefited by the Series 2020 Project, or any portions thereof, pursuant to Section 190.022 of the Act, Chapters 170 and 197, Florida Statutes, and the Assessment Resolutions (as defined in the Indenture) and assessment proceedings conducted by the District (together with the Assessment Resolutions, the "Assessment Proceedings"). Non-ad valorem assessments are not based on millage and are not taxes, but constitute a lien against the land as to which the Series 2020 Special Assessments are imposed, including homestead property as permitted in Section 4, Article X of the Florida State Constitution. The Series 2020 Special Assessments will constitute a lien against the land as to which the Series 2020 Special Assessments are imposed. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. [Initially, the Series 2020

Special Assessments will be levied on the approximately 81.38 gross acres of the Existing District Lands planned for [273] single-family homes. Following satisfaction of the Release Conditions as set forth in the First Supplemental Indenture and compliance with and completion of the statutory provisions regarding the imposition of special assessments, the Series 2020 Special Assessments will also be levied on the approximately [ ] gross acres within the Annexed Parcel planned for 8 residential lots. Unless the Release Conditions are satisfied prior to the Close-Out Date, no Series 2020 Special Assessments will be levied and collected on the lands within the Annexed Parcel.

The Series 2020 Special Assessments are levied in an amount corresponding to the debt service on the Series 2020 Bonds on the basis of benefit received by the assessable lands within the District as a result of the Series 2020 Project. The Assessment Methodology (as hereinafter defined), which describes the methodology for allocating the Series 2020 Special Assessments to the assessable lands within the District (i.e., the Series 2020 Assessment Area), is included as APPENDIX D attached hereto.

In the Master Indenture, the District will covenant that, if any Series 2020 Special Assessment shall be either in whole or in part annulled, vacated or set aside by the judgment of any court, or if the District shall be satisfied that any such Series 2020 Special Assessment is so irregular or defective that the same cannot be enforced or collected, or if the District shall have omitted to make such Series 2020 Special Assessment when it might have done so, the District shall either (i) take all necessary steps to cause a new Series 2020 Special Assessment to be made for the whole or any part of such improvement or against any property benefited by such improvement or (ii) in its sole discretion, make up the amount of such Series 2020 Special Assessment from any legally available moneys, which shall be deposited into the Series 2020 Revenue Account. In the case such second Series 2020 Special Assessment shall be annulled, the District shall obtain and make other Series 2020 Special Assessments until a valid Series 2020 Special Assessment shall be made.

### **Prepayment of Series 2020 Special Assessments**

The Assessment Proceedings provide that an owner of property subject to the Series 2020 Special Assessments may prepay the entire remaining balance of such Series 2020 Special Assessments at any time, or a portion of the remaining balance of such Series 2020 Special Assessment one time, if there is also paid, in addition to the prepaid principal balance of the Series 2020 Special Assessment, an amount equal to the interest that would otherwise be due on such prepaid amount on the next succeeding interest payment date for the Series 2020 Bonds or, if prepaid during the forty-five (45) day period preceding such interest payment date, to the interest payment date following such next succeeding interest payment date. Prepayment of the Series 2020 Special Assessments does not entitle the property owner to any discounts for early payment.

Pursuant to the Act and the Assessment Proceedings, an owner of property subject to the levy of Series 2020 Special Assessments may pay the entire balance of the Series 2020 Special Assessments remaining due, without interest, within thirty (30) days after the Series 2020 Project has been completed, and the Board has adopted a resolution accepting the Series 2020 Project pursuant to Chapter 170.09, Florida Statutes. The Landowners, as the sole owners of the assessable property within the District, will waive this right on behalf of itself and its successors and assigns in connection with the issuance of the Series 2020 Bonds.

The Series 2020 Bonds are subject to extraordinary mandatory redemption as indicated under "DESCRIPTION OF THE SERIES 2020 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" from optional and required prepayments of Series 2020 Special Assessments by property owners.

## **Additional Bonds**

Under the Indenture, the District will covenant not to issue any other Bonds or other debt obligations secured by the Series 2020 Special Assessments. In addition, the District will covenant not to issue any other Bonds or debt obligations for capital projects, secured by Special Assessments on the assessable lands within the Series 2020 Assessment Area that are subject to the Series 2020 Special Assessments, until the Series 2020 Special Assessments are Substantially Absorbed. "Substantially Absorbed" means the date at least ninety percent (90%) of the principal portion of the Series 2020 Special Assessments have been assigned to residential units within the District that have received certificates of occupancy. The District shall present the Trustee with a certification that the Series 2020 Special Assessments have been Substantially Absorbed and the Trustee may conclusively rely upon such certification and shall have no duty to verify if the Series 2020 Special Assessments are Substantially Absorbed. In the absence of such written certification, the Trustee is entitled to assume that the Series 2020 Special Assessments have not been Substantially Absorbed. Nothing in the Indenture shall restrict the District from issuing refunding Bonds or any Bonds or other debt obligations for District Lands outside the Series 2020 Assessment Area to finance any other capital project that is necessary to remediate any natural disaster, catastrophic damage or failure with respect to the Series 2020 Project.

The District and/or other public entities may impose taxes or other special assessments on the same properties encumbered by the Series 2020 Special Assessments without the consent of the Owners of the Series 2020 Bonds. The District expects to impose certain non-ad valorem special assessments called maintenance assessments, which are of equal dignity with the Series 2020 Special Assessments on the same lands upon which the Series 2020 Special Assessments are imposed, to fund the maintenance and operation of the District. See "THE DEVELOPMENT – Taxes, Fees and Assessments" and "BONDOWNERS' RISKS" herein for more information.

## **Covenant Against Sale or Encumbrance**

In the Master Indenture, the District will covenant that (a) except for those improvements comprising the Projects that are to be conveyed by the District to the County, the State Department of Transportation or another governmental entity, as to which no assessments of the District will be imposed and (b) except as otherwise permitted in the Master Indenture, it will not sell, lease or otherwise dispose of or encumber any Projects or any part thereof. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" herein.

## **Acquisition and Construction Account and Escrow Subaccount**

### **General**

The Indenture establishes a separate account within the Acquisition and Construction Fund designated as the "Series 2020 Acquisition and Construction Account" and a separate subaccount therein designated as the "Series 2020 Escrow Subaccount." Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Acquisition and Construction Account and the Series 2020 Escrow Subaccount in the amounts set forth in the First Supplemental Indenture, together with any moneys transferred thereto, including moneys transferred from the Series 2020 Reserve Account after satisfaction of the Conditions for Reduction of Reserve Requirement (as defined herein) and such moneys shall be applied as set forth in the Indenture, the Acquisition Agreement and the Engineer's Report. Funds on deposit in the Series 2020 Acquisition and Construction Account shall only be requested by the District to be applied to the costs of the Series 2020 Project in compliance with the requisition provisions of the Indenture. Upon satisfaction of the Conditions for Reduction of Reserve Requirement, the amount on deposit in the Series 2020 Reserve Account in excess of the Series 2020 Reserve Requirement shall then

be transferred to the Series 2020 Acquisition and Construction Account and applied as provided in the Indenture. The Trustee shall withdraw moneys from the Series 2020 Acquisition and Construction Account only upon presentment to the Trustee of a properly signed requisition in substantially the form attached to the Indenture.

After the Completion Date for the Series 2020 Project, any moneys remaining in the Series 2020 Acquisition and Construction Account, after retaining costs to complete the Series 2020 Project, shall be transferred to the Series 2020 General Redemption Subaccount, as directed in writing by the District or the District Manager on behalf of the District to the Trustee. Except as provided in the First Supplemental Indenture, only upon presentment to the Trustee of a properly signed requisition in substantially the form attached to the First Supplemental Indenture, shall the Trustee withdraw moneys from the Series 2020 Acquisition and Construction Account. After no funds remain therein, the Series 2020 Acquisition and Construction Account shall be closed. Notwithstanding the foregoing, the Series 2020 Acquisition and Construction Account shall not be closed until after the Conditions for Reduction of Reserve Requirement shall have occurred and the excess funds from the Series 2020 Reserve Account shall have been transferred to the Series 2020 Acquisition and Construction Account and applied in accordance with the provisions of the Indenture. See "—Reserve Account" below for more information regarding the Conditions for Reduction of Reserve Requirement. The Trustee shall not be responsible for determining the amounts in the Series 2020 Acquisition and Construction Account allocable to the respective components of the Series 2020 Project.

#### **Series 2020 Escrow Subaccount**

As noted above, the Indenture establishes a separate subaccount within the Series 2020 Acquisition and Construction Account designated as the Series 2020 Escrow Subaccount. The District shall deliver to the Trustee a certificate executed by a Responsible Officer certifying that the Release Conditions have been met on or before the Close-Out Date, upon which the Trustee may conclusively rely (the "Release Certificate"). The Trustee may conclusively assume that the Release Conditions have not been satisfied if it does not receive the Release Certificate by the fifth Business Day after the Close-Out Date. If the Release Conditions have been satisfied on or before the Close-Out Date as evidenced by the delivery of the Release Certificate to the trustee, money on deposit in the Series 2020 Escrow Subaccount shall be transferred by the Trustee to the Series 2020 Acquisition and Construction Account. If the Release Conditions have not been satisfied by the Close-Out Date, moneys on deposit in the Series 2020 Escrow Subaccount shall be transferred by the Trustee to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account to be applied toward the extraordinary mandatory redemption of Series 2020 Bonds, as provided for in the First Supplemental Indenture.

The Release Conditions for the Series 2020 Bond proceeds associated the Annexed Parcel (and any investment earnings thereon) related to the approximately [ ] acres planned for eight (8) residential lots and recreation facilities shall be the following, which must be delivered or accomplished prior to the Close-Out Date and evidenced by a certificate of the District Manager delivered to the Trustee, upon which the Trustee may conclusively rely:

(i) the County has approved the expansion of the District to include the [ ] acre Annexed Parcel as evidenced by a certified copy of an ordinance duly enacted by the County supplementing or amending the Original Ordinance;

(ii) the Series 2020 Special Assessments have been levied on the assessable lands within the Annexed Parcel;

(iii) the record owner of the Annexed Parcel delivers to the District and the Trustee a fully executed and recorded true-up agreement, a fully executed and recorded declaration of consent to the imposition of the Series 2020 Special Assessments levied on the Annexed Parcel, a fully executed completion agreement, a fully executed acquisition agreement and a fully executed and recorded collateral assignment or amendments to such documents (collectively, the "Ancillary Documents") relating to the Annexed Parcel unless such Ancillary Documents were delivered in escrow on the date of delivery of the Series 2020 Bonds in which case evidence that the true-up agreement, the declaration of consent to the imposition of the Series 2020 Special Assessments levied on the Annexed Parcel and the collateral assignment or amendments to such documents incorporating the Annexed Parcel have been recorded; and

(iv) Counsel to the District delivers an opinion addressed to the District, the Trustee and the Underwriter that the Series 2020 Special Assessments are a legal, valid and binding lien on the assessable lands within the Annexed Parcel, co-equal with the lien of all state, county, district and municipal taxes, and that any new or amended Ancillary Documents are legal, valid and binding enforceable obligations of the Issuer unless the opinion of counsel to District delivered at the time the Series 2020 Bonds are delivered covered such Ancillary Documents. The Trustee may conclusively rely on such opinion.

The "Close-Out Date" shall mean \_\_\_\_\_ 1, 2020, the last date by which the Release Conditions must be satisfied. See "THE DEVELOPMENT – Expansion of the District Boundary to Include the Annexed Parcel" for more information regarding the addition of the Annexed Parcel to the District Lands.

#### **Reserve Account**

The Indenture establishes a Series 2020 Reserve Account within the Debt Service Reserve Fund solely for the benefit of the Series 2020 Bonds. Proceeds of the Series 2020 Bonds shall be deposited into the Series 2020 Reserve Account in the amount of the Series 2020 Reserve Requirement, and such moneys, together with any other moneys deposited into the Series 2020 Reserve Account shall be applied for the purposes provided in the Indenture.

"Series 2020 Reserve Requirement" or "Reserve Requirement" shall (i) initially be an amount equal to the maximum annual debt service on the Series 2020 Bonds as calculated from time to time and (ii) upon the occurrence of the Conditions for Reduction of Reserve Requirement, fifty percent (50%) of the maximum annual debt service on the Series 2020 Bonds as calculated from time to time. Upon satisfaction of the Conditions for Reduction of Reserve Requirement, such excess amount shall be released from the Series 2020 Reserve Account and transferred to the Series 2020 Acquisition and Construction Account in accordance with the provisions of the First Supplemental Indenture. For the purpose of calculating the Series 2020 Reserve Requirement, maximum annual debt service or fifty percent (50%) of maximum annual debt service, as the case may be, shall be recalculated in connection with the extraordinary mandatory redemption described in the First Supplemental Indenture and each extraordinary mandatory redemption of the Series 2020 Reserve Bonds described in the First Supplemental Indenture (but not upon the optional or mandatory sinking fund redemption thereof), and such excess amount shall be released from the Series 2020 Reserve Account and, other than as provided in the immediately preceding sentence, transferred to the Series 2020 General Redemption Subaccount or the Series 2020 Prepayment Subaccount, as applicable, in accordance with the provisions of the First Supplemental Indenture. Amounts on deposit in the Series 2020 Reserve Account may, upon final maturity or redemption of all Outstanding Series 2020 Bonds be used to pay principal of and interest on the Series 2020 Bonds at that time. Initially, the Series 2020 Reserve Requirement shall be equal to \$\_\_\_\_\_.

"Conditions for Reduction of Reserve Requirement" shall mean collectively: (i) the sale of all lots in the Series 2020 Assessment Area to homebuilders [unrelated to the Series 2020 Landowner or their respective entities shall have been closed] and (ii) there shall be no Events of Default under the Indenture with respect to the Series 2020 Bonds, as certified by the District Manager. The District shall present the Trustee with the certifications of the District Manager regarding the satisfaction of the Conditions for Reduction of Reserve Requirement, and the Trustee may rely conclusively upon such certifications and shall have no duty to verify the same.

Notwithstanding any provisions in the Master Indenture to the contrary, the District will covenant in the Indenture not to substitute the cash and Investment Obligations on deposit in the Series 2020 Reserve Account with a Debt Service Reserve Insurance Policy or a Debt Service Reserve Letter of Credit. Except as provided in the next paragraph, all investment earnings on moneys in the Series 2020 Reserve Account shall remain on deposit therein.

On each March 15 and September 15 (or, if such date is not a Business Day, on the Business Day next preceding such day), the Trustee shall determine the amount on deposit in the Series 2020 Reserve Account and transfer any excess therein above the Reserve Requirement to Series 2020 Bonds caused by investment earnings to the Series 2020 Revenue Account in accordance with the Indenture.

Subject to the provisions of the First Supplemental Indenture, on any date the District receives notice from the District Manager that a landowner wishes to prepay its Series 2020 Special Assessments relating to the benefited property of such landowner within the Series 2020 Assessment Area, or as a result of a mandatory true-up payment, the District shall, or cause the District Manager, on behalf of the District, to calculate the principal amount of such Prepayment taking into account a credit against the amount of Series 2020 Prepayment Principal due by the amount of money in the Series 2020 Debt Service Reserve Account that will be in excess of the Series 2020 Reserve Requirement for the Series 2020 Bonds, taking into account the proposed Prepayment. Such excess shall be transferred to the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account, as a result of such Prepayment. The District Manager, on behalf of the District, shall make such calculation within ten (10) Business Days after such Prepayment and shall instruct the Trustee in writing to transfer such amount of credit given to the landowner from the Series 2020 Debt Service Reserve Account to the Series 2020 Prepayment Subaccount of the Series 2020 Bond Redemption Account to be used for the extraordinary mandatory redemption of the Series 2020 Bonds in accordance with the First Supplemental Indenture. The Trustee is authorized to make such transfers and has no duty to verify such calculations.

Notwithstanding any of the foregoing, amounts on deposit in the Series 2020 Reserve Account shall be transferred by the Trustee, in the amounts directed in writing by the Majority Holders of the Series 2020 Bonds, to the Series 2020 General Redemption Subaccount of the Series 2020 Bond Redemption Account, if, as a result of the application of the provisions of the Master Indenture with respect to Events of Default, the proceeds received from lands sold subject to the Series 2020 Special Assessments and applied to redeem a portion of the Series 2020 Bonds is less than the principal amount of Series 2020 Bonds indebtedness attributable to such lands.

In addition, and together with the moneys transferred from the Series 2020 Reserve Account pursuant to this paragraph, if the amount on deposit is not sufficient to redeem a principal amount of the Series 2020 Bonds in an Authorized Denomination, the Trustee shall be authorized to withdraw amounts from the Series 2020 Revenue Account to round-up to the nearest Authorized Denomination. Notwithstanding the foregoing, no transfers from the Series 2020 Revenue Account shall be made to pay interest on and/or principal for the Series 2020 Bonds for the redemption pursuant to the First Supplemental Indenture if as a result the deposits required under the following section cannot be made in full. See " – Deposit and Application of the Pledged Revenues" below.



It shall be an event of default under the Indenture if at any time the amount in the Series 2020 Reserve Account is less than the Reserve Requirement therefor as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement for the Series 2020 Bonds and such amount has not been restored within ninety (90) days of such withdrawal.

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

Pursuant to the Indenture, the Trustee shall transfer from amounts on deposit in the Series 2020 Revenue Account to the Funds and Accounts designated below, the following amounts, at the following times and in the following order of priority:

FIRST, upon receipt but no later than the Business Day next preceding each Interest Payment Date, commencing [\_\_\_\_\_, 20\_\_], to the Series 2020 Interest Account of the Debt Service Fund, an amount equal to the interest on the Series 2020 Bonds becoming due on the next succeeding Interest Payment Date, less any amount on deposit in the Series 2020 Interest Account not previously credited;

SECOND, no later than the Business Day next preceding each [\_\_\_\_\_] 1, commencing [\_\_\_\_\_] 1, 20\_\_, to the Series 2020 Sinking Fund Account, an amount equal to the principal amount of Series 2020 Bonds subject to sinking fund redemption on such [\_\_\_\_\_] 1, less any amount on deposit in the Series 2020 Sinking Fund Account not previously credited;

THIRD, upon receipt but no later than the Business Day next preceding each Interest Payment Date while Series 2020 Bonds remain Outstanding, to the Series 2020 Reserve Account, an amount equal to the amount, if any, which is necessary to make the amount on deposit therein equal to the Reserve Requirement for the Series 2020 Bonds;

FOURTH, notwithstanding the foregoing, at any time the Series 2020 Bonds are subject to redemption on a date which is not a May 1 or November 1 Interest Payment Date, the Trustee shall be authorized to transfer from the Series 2020 Revenue Account to the Series 2020 Interest Account, the amount necessary to pay interest on the Series 2020 Bonds subject to redemption on such date; and

FIFTH, subject to the foregoing paragraphs, the balance of any moneys remaining after making the foregoing deposits shall be first deposited into the Series 2020 Costs of Issuance Account to cover any deficiencies in the amount allocated to pay the cost of issuing the Series 2020 Bonds and next, any balance in the Series 2020 Revenue Account shall remain on deposit in such Series 2020 Revenue Account, unless needed for the purposes of rounding the principal amount of a Series 2020 Bond subject to Extraordinary mandatory Redemption pursuant to the First Supplemental Indenture to an Authorized Denomination or unless pursuant to the Arbitrage Certificate, it is necessary to make a deposit into the Series 2020 Rebate Fund, in which case, the Issuer shall direct the Trustee to make such deposit thereto.

### **Investments**

The Trustee shall, as directed by the District in writing, invest moneys held in the Series Accounts in the Debt Service Fund and any Series Account within the Bond Redemption Fund only in Government Obligations and certain specified types of Investment Securities (as defined in the Master Indenture). The Trustee shall, as directed by the District in writing, invest moneys held in the Series 2020 Reserve Account of the Debt Service Reserve Fund in Investment Securities. All deposits in time accounts shall be subject to withdrawal without penalty and all investments shall mature or be subject to redemption by the holder without penalty, not later than the date when the amounts will foreseeably be needed for purposes set forth in the Master Indenture. All securities securing investments under the Indenture shall be deposited with a Federal Reserve Bank, with the trust department of the Trustee, as

authorized by law with respect to trust funds in the State, or with a bank or trust company having a combined net capital and surplus of not less than \$50,000,000. The interest and income received upon such investments and any interest paid by the Trustee or any other depository of any Fund or Account and any profit or loss resulting from the sale of securities shall be added or charged to the Fund or Account for which such investments are made; provided, however, that if the amount in any Fund or Account equals or exceeds the amount required to be on deposit therein, subject to the Indenture, any interest and other income so received shall be deposited in the applicable Series Account of the Revenue Fund. Upon written request of the District, or on its own initiative whenever payment is to be made out of any Fund or Account, the Trustee shall sell such securities as may be requested to make the payment and restore the proceeds to the respective Fund or Account in which the securities were held. The Trustee shall not be accountable for any depreciation in the value of any such security or for any loss resulting from the sale thereof, except as provided in the Master Indenture. If net proceeds from the sale of securities held in any Fund or Account shall be less than the amount invested and, as a result, the amount on deposit in such Fund or Account is less than the amount required to be on deposit in such Fund or Account, the amount of such deficit shall be transferred to such Fund or Account from the related Series Account of the Revenue Fund. The Trustee shall not be liable or responsible for any loss or entitled to any gain resulting from any investment or sale upon the investment instructions of the District or otherwise. See "APPENDIX B: PROPOSED FORMS OF MASTER INDENTURE AND FIRST SUPPLEMENTAL INDENTURE" attached hereto.

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

For purposes of the following, (a) the Series 2020 Bonds secured by and payable from Special Assessments levied against property owned by any Insolvent Taxpayer (defined below) are collectively referred to herein as the "Affected Bonds" and (b) the Special Assessments levied against any Insolvent Taxpayer's property and pledged under a Supplemental Indenture as security for the Affected Bonds are collectively referred to herein as the "Affected Special Assessments." The Master Indenture contains the following provisions which, pursuant to the 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 the Affected Special Assessments (herein, 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 Affected Bonds remain Outstanding, in any Proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments, the District shall be obligated to act in accordance with any direction from the Trustee with regard to all matters directly or indirectly affecting at least three percent (3%) of the Outstanding aggregate principal amount of the Affected Bonds or for as long as any Affected Bonds remain Outstanding, in any proceeding involving the District, any Insolvent Taxpayer, the Affected Bonds or the Affected Special Assessments or the Trustee. The District has agreed in the Master Indenture 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.

In the Master Indenture, the District will acknowledge and agree that, although the Affected Bonds were issued by the District, the Owners of the Affected 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 has agreed in the Master Indenture 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 Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture; (b) the District has agreed in the Master Indenture that it shall not make any election, give any consent, commence any action or file any motion, claim, obligation, notice or

application or take any other action or position in any Proceeding or in any action related to a Proceeding that affects, either directly or indirectly, the Affected Special Assessments, the Affected Bonds or any rights of the Trustee under the Indenture that is inconsistent with any direction from the Trustee; (c) the Trustee shall have the right, but is not obligated to, (i) vote in any such Proceeding any and all claims of the District, or (ii) file any motion, pleading, plan or objection in any such Proceeding on behalf of the District, including without limitation, motions seeking relief from the automatic stay, dismissal of the Proceeding, valuation of the property belonging to the Insolvent Taxpayer, termination of exclusivity, and objections to disclosure statements, plans of liquidation or reorganization, and motions for use of cash collateral, seeking approval of sales or post-petition financing. 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 any claims, to propose and prosecute a plan, to vote to accept or reject a plan, and 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 such Proceeding by the Trustee in good faith or any valuations of the lands owned by any Insolvent Taxpayer submitted by the Trustee in good faith in such Proceeding or take any other action in such Proceeding, which is adverse to Trustee's enforcement of the District claim and rights with respect to the Affected Special Assessments or receipt of adequate protection (as that term is defined in the Bankruptcy Code). Without limiting the generality of the foregoing, the District has agreed in the Master Indenture that the Trustee shall have the right (i) to file a proof of claim with respect to the Affected Special 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. See "BONDOWNERS' RISKS – Bankruptcy Risks" herein.

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

The Master Indenture provides that each of the following shall be an "Event of Default" under the Indenture, with respect to the Series 2020 Bonds:

- (a) if payment of any installment of interest on any Series 2020 Bond is not made when it becomes due and payable; or
- (b) if payment of the principal or Redemption Price of any Series 2020 Bond is not made when it becomes due and payable at maturity or upon call or presentation for redemption; or
- (c) if the District, for any reason, fails in, or is rendered incapable of, fulfilling its obligations under the Indenture or under the Act, as determined by a Majority Holder of the Series 2020 Bonds; or
- (d) if the District proposes or makes an assignment for the benefit of creditors or enters into a composition agreement with all or a material part of its creditors, or a trustee, receiver, executor, conservator, liquidator, sequestrator or other judicial representative, similar or dissimilar, is appointed for the District or any of its assets or revenues, or there is commenced any proceeding in liquidation, bankruptcy, reorganization, arrangement of debts, debtor rehabilitation, creditor adjustment or insolvency, local, state or federal, by or against the District and if such is not vacated, dismissed or stayed on appeal within ninety (90) days; or
- (e) if the District defaults in the due and punctual performance of any other covenant in the Indenture or in any Series 2020 Bond and such default continues for sixty (60) days after written notice requiring the same to be remedied shall have been given to the District by the Trustee, which may give such notice in its discretion and shall give such notice at the written request of the Majority Holder of the

Outstanding Series 2020 Bonds; provided, however, that if such performance requires work to be done, actions to be taken, or conditions to be remedied, which by their nature cannot reasonably be done, taken or remedied, as the case may be, within such sixty (60) day period, no Event of Default shall be deemed to have occurred or exist if, and so long as the District shall commence such performance within such sixty (60) day period and shall diligently and continuously prosecute the same to completion; or

(f) if at any time the amount in the Series 2020 Reserve Account is less than the Reserve Requirement as a result of the Trustee withdrawing an amount therefrom to satisfy the Debt Service Requirement on the Series 2020 Bonds and such amount has not been restored within ninety (90) days of such withdrawal; or

(g) if on an Interest Payment Date the amount in the Series 2020 Interest Account, the Series 2020 Principal Account or the Series 2020 Sinking Fund Account, as the case may be, is insufficient to pay all amounts payable on the Series 2020 Bonds on such Interest Payment Date (without regard to any amount available for such purpose in the Reserve Account); or

(h) if, at any time after eighteen months following issuance of the Series 2020 Bonds, more than twenty percent (20%) of the "maintenance special assessments" levied by the District on District lands upon which the Series 2020 Special Assessments are levied to secure the Series 2020 Bonds pursuant to Section 190.021(3), Florida Statutes, as amended, and collected directly by the District have become due and payable and have not been paid, when due.

The Trustee shall not be required to rely on any official action, admission or declaration by the District before recognizing that an Event of Default under (c) above has occurred.

No Series 2020 Bonds shall be subject to acceleration. Upon occurrence and continuance of an Event of Default with respect to the Series 2020 Bonds, no optional redemption or extraordinary mandatory redemption of Series 2020 Bonds pursuant to the Indenture shall occur unless all of the Series 2020 Bonds will be redeemed or if 100% of the Holders of the Series 2020 Bonds agree to such redemption.

If any Event of Default with respect to the Series 2020 Bonds has occurred and is continuing, the Trustee, in its discretion may, and upon the written request of the Majority Holder of the Outstanding Series 2020 Bonds and receipt of indemnity to its satisfaction shall, in its own name:

(a) by mandamus, or other suit, action or proceeding at law or in equity, enforce all rights of the Holders of the Series 2020 Bonds, including, without limitation, the right to require the District to carry out any agreements with, or for the benefit of, the Bondholders of the Series 2020 Bonds and to perform its or their duties under the Act;

(b) bring suit upon the Series 2020 Bonds;

(c) by action or suit in equity require the District to account as if it were the trustee of an express trust for the Holders of the Series 2020 Bonds;

(d) by action or suit in equity enjoin any acts or things which may be unlawful or in violation of the rights of the Holders of the Series 2020 Bonds; and

(e) by other proceeding in law or equity, exercise all rights and remedies provided for by any other document or instrument securing the Series 2020 Bonds.

If any proceeding taken by the Trustee on account of any Event of Default with respect to the Series 2020 Bonds is discontinued or is determined adversely to the Trustee, then the District, the Trustee, the Paying Agent and the Bondholders of the Series 2020 Bonds shall be restored to their former positions and rights under the Indenture as though no such proceeding had been taken.

Subject to the provisions of the Indenture, the Majority Holder of the Outstanding Series 2020 Bonds then subject to remedial proceedings under the Master Indenture shall have the right to direct the method and place of conducting all remedial proceedings by the Trustee under the Indenture, provided that such directions shall not be otherwise than in accordance with law or the provisions of the Indenture.

## **ENFORCEMENT OF ASSESSMENT COLLECTIONS**

### **General**

The primary source of payment for the Series 2020 Bonds is the collection of Series 2020 Special Assessments imposed on certain assessable lands in the District specially benefited by the Series 2020 Project pursuant to the Assessment Proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY."

The imposition, levy, and collection of Series 2020 Special Assessments must be done in compliance with the provisions of Florida law. Failure by the District, the Polk County Tax Collector ("Tax Collector") or the Polk County Property Appraiser ("Property Appraiser") to comply with such requirements could result in delay in the collection of, or the complete inability to collect, Series 2020 Special Assessments during any year. Such delays in the collection of Series 2020 Special Assessments, or complete inability to collect the Series 2020 Special Assessments, would have a material adverse effect on the ability of the District to make full or punctual payment of the debt service requirements on the Series 2020 Bonds. See "BONDOWNERS' RISKS." To the extent that landowners fail to pay the Series 2020 Special Assessments, delay payments, or are unable to pay the same, the successful pursuance of collection procedures available to the District is essential to continued payment of principal of and interest on the Series 2020 Bonds.

For the Series 2020 Special Assessments to be valid, the Series 2020 Special Assessments must meet two requirements: (1) the benefit from the Series 2020 Project to the lands subject to the Series 2020 Special Assessments must exceed or equal the amount of the Series 2020 Special Assessments, and (2) the Series 2020 Special Assessments must be fairly and reasonably allocated across all such benefitted properties. The Certificate of the Methodology Consultant will certify that these requirements have been met with respect to the Series 2020 Special Assessments.

Pursuant to the Act, and the Assessment Proceedings, the District may collect the Series 2020 Special Assessments through a variety of methods. Initially, and for undeveloped properties owned by the Landowner and subsequent landowners, the District will directly issue annual bills to landowners requiring payment of the Series 2020 Special Assessments, and will enforce that bill through foreclosure proceedings. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" and "APPENDIX D: ASSESSMENT METHODOLOGY." As lands are developed, the Series 2020 Special Assessments will be added to the County tax roll and collected pursuant to the Uniform Method. The following is a description of certain statutory provisions relating to each of these collection methods. Such description is not intended to be exhaustive and is qualified in its entirety by reference to such statutes.

## **Direct Billing & Foreclosure Procedure**

As noted above, and pursuant to Chapters 170 and 190 of the Florida Statutes, the District may directly levy, collect and enforce the Series 2020 Special Assessments. In this context, Section 170.10 of the Florida Statutes provides that upon the failure of any property owner to timely pay all or any part of the annual installment of principal and/or interest of a special assessment due, including the Series 2020 Special Assessments, the whole assessment, with the interest and penalties thereon, shall immediately become due and payable and subject to foreclosure. Generally stated, the governing body of the entity levying the special assessment, in this case the District, may foreclose by commencing a foreclosure proceeding in the same manner as the foreclosure of a real estate mortgage, or, alternatively, by commencing an action under Chapter 173, Florida Statutes, which relates to foreclosure of municipal tax and special assessment liens. Such proceedings are in rem, meaning that the action would be brought against the land, and not against the landowner. In light of the one year tolling period required before the District may commence a foreclosure action under Chapter 173, Florida Statutes, it is likely the District would commence an action to foreclose in the same manner as the foreclosure of a real estate mortgage rather than proceeding under Chapter 173, Florida Statutes.

Enforcement of the obligation to pay Series 2020 Special Assessments and the ability to foreclose the lien of such Series 2020 Special Assessments upon the failure to pay such Series 2020 Special Assessments may not be readily available or may be limited because enforcement is dependent upon judicial action which is often subject to discretion and delay. Additionally, there is no guarantee that there will be demand for any foreclosed lands sufficient to repay the Series 2020 Special Assessments. See "BONDOWNERS' RISKS."

## **Uniform Method Procedure**

Subject to certain conditions, and for developed lands (as described above), the District may alternatively elect to collect the Series 2020 Special Assessments using the Uniform Method. The Uniform Method of collection is available only in the event the District complies with statutory and regulatory requirements and enters into agreements with the Tax Collector and Property Appraiser providing for the Series 2020 Special Assessments to be levied and then collected in this manner.

If the Uniform Method of collection is used, the Series 2020 Special Assessments will be collected together with County, school, special district, and other ad valorem taxes and non-ad valorem assessments (together, "Taxes and Assessments"), all of which will appear on the tax bill (also referred to as a "tax notice") issued to each landowner in the District. The statutes relating to enforcement of Taxes and Assessments provide that such Taxes and Assessments become due and payable on November 1 of the year when assessed, or as soon thereafter as the certified tax roll is received by the Tax Collector, and constitute a lien upon the land from January 1 of such year until paid or barred by operation of law. Such taxes and assessments – including the Series 2020 Special Assessments – are to be billed, and landowners in the District are required to pay, all Taxes and Assessments without preference in payment of any particular increment of the tax bill, such as the increment owing for the Series 2020 Special Assessments.

All Taxes and Assessments are payable at one time, except for partial payment schedules as may be provided by Florida law such as Sections 197.374 and 197.222, Florida Statutes. Partial payments made pursuant to Sections 197.374 and 197.222, Florida Statutes, are distributed in equal proportion to all taxing districts and levying authorities applicable to that account. If a taxpayer does not make complete payment of the total amount, he or she cannot designate specific line items on his or her tax bill as deemed paid in full. Therefore, in the event the Series 2020 Special Assessments are to be collected pursuant to the Uniform Method, any failure to pay any one line item, would cause the Series 2020 Special Assessments to not be collected to that extent, which could have a significant adverse effect on

the ability of the District to make full or punctual payment of the debt service requirements on the Series 2020 Bonds.

Under the Uniform Method, if the Series 2020 Special Assessments are paid during November when due or during the following three months, the taxpayer is granted a variable discount equal to 4% in November and decreasing one percentage point per month to 1% in February. All unpaid Taxes and Assessments become delinquent on April 1 of the year following assessment.

The Tax Collector is required to collect the Taxes and Assessments on the tax bill prior to April 1 and, after that date, to institute statutory procedures upon delinquency to collect such Taxes and Assessments through the sale of "tax certificates," as discussed below. Delay in the mailing of tax notices to taxpayers may result in a delay throughout this process. Neither the District nor the Underwriter can give any assurance to the holders of the Series 2020 Bonds (1) that the past experience of the Tax Collector with regard to tax and special assessment delinquencies is applicable in any way to the Series 2020 Special Assessments, (2) that future landowners and taxpayers in the District will pay such Series 2020 Special Assessments, (3) that a market may exist in the future for tax certificates in the event of sale of such certificates for taxable units within the District, and (4) that the eventual sale of tax certificates for real property within the District, if any, will be for an amount sufficient to pay amounts due under the Assessment Proceedings to discharge the lien of the Series 2020 Special Assessments and all other liens that are coequal therewith.

Collection of delinquent Series 2020 Special Assessments under the Uniform Method is, in essence, based upon the sale by the Tax Collector of "tax certificates" and remittance of the proceeds of such sale to the District for payment of the Series 2020 Special Assessments due. Prior to the sale of tax certificates, the landowner may bring current the delinquent Taxes and Assessments and cancel the tax certificate process by paying the total amount of delinquent Taxes and Assessments plus all applicable interest, costs and charges. If the landowner does not act, the Tax Collector is required to attempt to sell tax certificates by public bid to the person who pays the delinquent Taxes and Assessments owing, and any applicable interest, costs and charges, and who accepts the lowest interest rate per annum to be borne by the certificates (but not more than 18%).

If there are no bidders, the tax certificate is issued to the County. The County is to hold, but not pay for, the tax certificate with respect to the property, bearing interest at the maximum legal rate of interest, which is currently 18%. The Tax Collector does not collect any money if tax certificates are issued, or struck off, to the County. The County may sell such certificates to the public at any time after issuance, but before a tax deed application is made, at the face amount thereof plus interest at the rate of not more than 18% per annum, costs and charges. Proceeds from the sale of tax certificates are required to be used to pay Taxes and Assessments (including the Series 2020 Special Assessments), interest, costs and charges on the real property described in the certificate.

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

For any holder other than the County, a tax certificate expires seven years after the date of issuance, if a tax deed has not been applied for, and no other administrative or legal proceeding, including a bankruptcy, has existed of record, the tax certificate is null and void. After an initial period ending two years from April 1 of the year of issuance of a certificate, during which period actions against the land are held in abeyance to allow for sales and redemptions of tax certificates, and before the expiration of seven years from the date of issuance, the holder of a certificate may apply for a tax deed to the subject land. The applicant is required to pay to the Tax Collector at the time of application all amounts required to redeem or purchase all other outstanding tax certificates covering the land, plus interest, any omitted taxes or delinquent taxes and interest, and current taxes, if due (as well as any costs of resale, if applicable). If the County holds a tax certificate on property valued at \$5,000 or more and has not succeeded in selling it, the County must apply for a tax deed two years after April 1 of the year of issuance of the certificate or as soon thereafter as is reasonable. The County pays costs and fees to the Tax Collector but not any amount to redeem any other outstanding certificates covering the land. Thereafter, the property is advertised for public sale.

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

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

If there are no bidders at the public sale, the clerk shall enter the land on a list entitled "lands available for taxes" and shall immediately notify the City that the property is available. At any time within ninety (90) days from the date the property is placed on the list, the County may purchase the land for the opening bid, or may waive its rights to purchase the property. Thereafter, and without further notice or advertising, any person, the County or any other governmental unit may purchase the land by paying the amount of the opening bid. Ad valorem taxes and non-ad valorem assessments accruing after the date of public sale do not require repetition of the bidding process but are added to the minimum bid. Three years from the date the property was offered for sale, unsold lands escheat to the County in which



they are located, free and clear, and all tax certificates and liens against the property are canceled and a deed is executed vesting title in the governing board of such County.

There can be no guarantee that the Uniform Method will result in the payment of Series 2020 Special Assessments. For example, the demand for tax certificates is dependent upon various factors, which include the rate of interest that can be earned by ownership of such certificates and the underlying value of the land that is the subject of such certificates and which may be subject to sale at the demand of the certificate holder. Therefore, the underlying market value of the property within the District may affect the demand for certificates and the successful collection of the Series 2020 Special Assessments, which are the primary source of payment of the Series 2020 Bonds. Additionally, legal proceedings under Federal bankruptcy law brought by or against a landowner who has not yet paid his or her property taxes or assessments would likely result in a delay in the sale of tax certificates. See "BONDHOLDERS' RISKS."

### **BONDOWNERS' RISKS**

There are certain risks inherent in an investment in bonds issued by a public authority or governmental body in the State and secured by special assessments. Certain of these risks are described in other sections of this Limited Offering Memorandum. Certain additional risks are associated with the Series 2020 Bonds offered hereby and are set forth below. Prospective investors in the Series 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 Series 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 Series 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 Series 2020 Bonds.

#### **Concentration of Land Ownership**

The Landowner currently owns all of the District Lands that will be subject to the Series 2020 Special Assessments securing the Series 2020 Bonds. Payment of the Series 2020 Special Assessments is primarily dependent upon their timely payment by the Landowner and the other future landowners in the District. Non-payment of the Series 2020 Special Assessments by any of the landowners would have a substantial adverse impact upon the District's ability to pay debt service on the Series 2020 Bonds. See "THE LANDOWNER" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS" herein.

#### **Bankruptcy and Related Risks**

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 Series 2020 Bonds, as such bankruptcy could negatively impact the ability of: (i) the Landowner and any other landowner to pay the Series 2020 Special Assessments; (ii) the Tax Collector to sell tax certificates in relation to such property with respect to the Series 2020 Special Assessments being collected pursuant to the Uniform Method; and (iii) the District to foreclose the lien of the Series 2020 Special Assessments not being collected pursuant to the Uniform Method. In addition, the remedies available to the Owners of the Series 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 Series 2020 Bonds, including, without limitation, enforcement of the obligation to pay Series 2020 Special Assessments and the ability of the District to foreclose the lien of the Series 2020 Special Assessments if

not being collected pursuant to the Uniform Method, may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 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 a Series of the Series 2020 Bonds could have a material adverse impact on the interest of the Owners thereof.

A 2011 bankruptcy court decision in Florida held that the governing body of a community development district, and not the bondholders or indenture trustee, was the creditor of the landowners/debtors in bankruptcy with respect to claims for special assessments, and thus only the district could vote to approve or disapprove a reorganization plan submitted by the debtors in the case. The district voted in favor of the plan. The governing body of the district was at that time elected by the landowners rather than qualified electors. Under the reorganization plan that was approved, a two-year moratorium was placed on the debtor landowners' payment of special assessments. As a result of this non-payment of assessments, debt service payments on the district's bonds were delayed for two years or longer. The Master Indenture provides for the delegation of certain rights from the District to the Trustee in the event of a bankruptcy or similar proceeding with respect to an "Insolvent Taxpayer" (as previously defined). See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Master Indenture Provisions Relating to Bankruptcy or Insolvency of a Landowner." The District cannot express any view whether such delegation would be enforceable.

### **Series 2020 Special Assessments Are Non-Recourse**

The principal security for the payment of the principal and interest on the Series 2020 Bonds is the timely collection of the Series 2020 Special Assessments. The Series 2020 Special Assessments do not constitute a personal indebtedness of the landowners of the land subject thereto, but are secured by a lien on such land. There is no assurance that the Landowner or subsequent landowners will be able to pay the Series 2020 Special Assessments or that they will pay such Series 2020 Special Assessments even though financially able to do so. Neither the Landowner nor any other subsequent landowners have any personal obligation to pay the Series 2020 Special Assessments. Neither the Landowner nor any subsequent landowners are guarantors of payment of any Series 2020 Special Assessment, and the recourse for the failure of the Landowner or any subsequent landowner to pay the Series 2020 Special Assessments is limited to the collection proceedings against the land subject to such unpaid Series 2020 Special Assessments, as described herein. Therefore the likelihood of collection of the Series 2020 Special Assessments may ultimately depend on the market value of the land subject to the Series 2020 Special Assessments. While the ability of the Landowner or subsequent landowners to pay the Series 2020 Special Assessments is a relevant factor, the willingness of the Landowner or subsequent landowner to pay the taxes, which may also be affected by the value of the land subject to taxation, is also an important factor in the collection of Series 2020 Special Assessments. The failure of the Landowner or subsequent landowners to pay the Series 2020 Special Assessments could render the District unable to collect delinquent Series 2020 Special Assessments, if any, and provided such delinquencies are significant, could negatively impact the ability of the District to make the full or punctual payment of debt service on the Series 2020 Bonds.

### **Regulatory and Environmental Risks**

The development of the District Lands, including the Series 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 planned improvements, both public and private, and construction of the infrastructure in

accordance with applicable zoning, land use and environmental regulations. Although all such approvals required to date have been received and any further approvals are anticipated to be received as needed, failure to obtain any such approvals in a timely manner could delay or adversely affect the completion of the development of the District Lands. See "THE DEVELOPMENT – Development Approvals," herein for more information.

The value of the land within the District, the success of the Development, the development of the District Lands and the likelihood of timely payment of principal and interest on the Series 2020 Bonds could be affected by environmental factors with respect to the District Lands. Should the land be contaminated by hazardous materials, this could materially and adversely affect the value of the District Lands, which could materially and adversely affect the success of the development of the District Lands, including the Series 2020 Assessment Area, and the likelihood of the timely payment of the Series 2020 Bonds. The District has not performed, nor has the District requested that there be performed on its behalf, any independent assessment of the environmental conditions within the District. See "THE DEVELOPMENT – Environmental" for information on environmental site assessments obtained or received. Nevertheless, it is possible that hazardous environmental conditions could exist within the District or in the vicinity of the District and that such conditions could have a material and adverse impact upon the value of the benefited lands within the District. No assurance can be given that unknown hazardous materials, protected animals or vegetative species, etc., do not currently exist or may not develop in the future, whether originating within the District or from surrounding property, and what effect such may have on the development or sale of the Series 2020 Assessment Area.

The value of the lands subject to the Series 2020 Special Assessments could also be adversely impacted by flooding or wind damage caused by hurricanes, tropical storms, or other catastrophic events. In addition to potential damage or destruction to any existing development or construction in or near the District, such catastrophic events could potentially render the District Lands unable to support future development. The occurrence of any such events could materially adversely impact the District's ability to pay principal and interest on the Series 2020 Bonds. The Series 2020 Bonds are not insured, and the District's casualty insurance policies do not insure against losses incurred on private lands within its boundaries.

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

The successful development of the Series 2020 Assessment Area and the sale of residential units therein, once such homes are built, may be affected by unforeseen changes in general economic conditions, fluctuations in the real estate market and other factors beyond the control of the Landowner. Moreover, the Landowner has the right to modify or change plans for development of the Series 2020 Assessment Area from time to time, including, without limitation, land use changes, changes in the overall land and phasing plans, and changes to the type, mix, size and number of units to be developed, and may seek in the future, in accordance with and subject to the provisions of the Act, to contract or expand the boundaries of the District.

### **Other Taxes and Assessments**

The willingness and/or ability of an owner of benefited land to pay the Series 2020 Special Assessments could be affected by the existence of other taxes and assessments imposed upon such property by the District, the County or any other local special purpose or general purpose governmental entities. County, school, special district taxes and special assessments, and voter-approved ad valorem taxes levied to pay principal of and interest on debt, including the Series 2020 Special Assessments, collected pursuant to the Uniform Method are payable at one time. Public entities whose boundaries overlap those of the District, could, without the consent of the owners of the land within the District,

impose additional taxes on the property within the District. The District anticipates imposing operation and maintenance assessments encumbering the same property encumbered by the Series 2020 Special Assessments. In addition, lands within the District may also be subject to assessments by property owners' and homeowners' associations. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for additional information.

Under Florida law, a landowner may contest the assessed valuation determined for its property that forms the basis of ad-valorem taxes such landowner must pay. During this contest period, the sale of a tax certificate under the Uniform Method will be suspended. If the Series 2020 Special Assessments are being collected along with ad valorem taxes pursuant to the Uniform Method, tax certificates will not be sold with respect to such Series 2020 Special Assessment, even though the landowner is not contesting the amount of the Series 2020 Special Assessment. However, Section 194.014, Florida Statutes, requires taxpayers challenging the assessed value of their property to pay all non-ad valorem taxes and at least 75% of their ad valorem taxes before they become delinquent. Likewise, taxpayers who challenge the denial of an exemption or classification or a determination that their improvements were substantially complete must pay all non-ad valorem assessments and the amount of ad valorem taxes that they admit in good faith to be owing. If a taxpayer fails to pay property taxes as set forth above, the Value Adjustment Board considering the taxpayer's challenge is required to deny such petition by written decision by April 20 of such year.

### **Limited Secondary Market for Series 2020 Bonds**

The Series 2020 Bonds may not constitute a liquid investment, and there is no assurance that a liquid secondary market will exist for the Series 2020 Bonds in the event an Owner thereof determines to solicit purchasers for the Series 2020 Bonds. Even if a liquid secondary market exists, there can be no assurance as to the price for which the Series 2020 Bonds may be sold. Such price may be lower than that paid by the current Owners of the Series 2020 Bonds, depending on the progress of development of the District Lands, including the Series 2020 Assessment Area, existing real estate and financial market conditions and other factors.

### **Inadequacy of the Reserve Account**

Some of the risk factors discussed herein, which, if materialized, would result in a delay in the collection of the Series 2020 Special Assessments, may not adversely affect the timely payment of debt service on the Series 2020 Bonds because of the Series 2020 Reserve Account. The ability of the Series 2020 Reserve Account to fund deficiencies caused by delinquencies in the Series 2020 Special Assessments is dependent on the amount, duration and frequency of such deficiencies. Moneys on deposit in the Series 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 in the Series 2020 Reserve Account to make up deficiencies. If the District has difficulty in collecting the Series 2020 Special Assessments, the Series 2020 Reserve Account could be rapidly depleted and the ability of the District to pay debt service on the Series 2020 Bonds could be materially adversely affected. In addition, during an Event of Default under the Indenture, the Trustee may withdraw moneys from the Series 2020 Reserve Account and such other Funds, Accounts and subaccounts created under the Indenture to pay its extraordinary fees and expenses incurred in connection with such Event of Default. If in fact the Series 2020 Reserve Account is accessed for any purpose, the District does not have a designated revenue source for replenishing such account. Moreover, the District may not be permitted to re-assess real property then burdened by the Series 2020 Special Assessments in order to provide for the replenishment of the Series 2020 Reserve Account. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Reserve Account" herein for more information about the Series 2020 Reserve Account.

## **Legal Delays**

If the District should commence a foreclosure action against a landowner for nonpayment of Series 2020 Special Assessments, such landowner and/or its mortgagee(s) may raise affirmative defenses to such foreclosure action. Although the District expects that such affirmative defenses would likely be proven to be without merit, they could result in delays in completing the foreclosure action. In addition, the District is required under the Indenture to fund the costs of such foreclosure. It is possible that the District will not have sufficient funds and will be compelled to request the Holders of the Series 2020 Bonds 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 proceeds from the Series 2020 Bonds that can be used for such purpose.

## **IRS Examination and Audit Risk**

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

On February 23, 2016, the IRS published proposed regulations designed to provide prospective guidance with respect to potential private business control of issuers by providing a new definition of political subdivision for purposes of determining whether an entity is an appropriate issuer of bonds the interest on which is excluded from gross income for federal tax purposes. The proposed regulations require that a political subdivision (i) have the power to exercise at least one sovereign power, (ii) be formed and operated for a governmental purpose, and (iii) have a governing body controlled by or have significant uses of its fund or assets otherwise controlled by a government unit with all three sovereign powers or by an electorate that is not controlled by an unreasonably small number of unrelated electors.

On October 4, 2017, the Treasury Department ("Treasury") announced that it will withdraw the proposed regulations, stating that, "while Treasury and the IRS continue to study the legal issues relating to political subdivisions, Treasury and the IRS currently believe that these proposed regulations should be withdrawn in their entirety, and plan to publish a withdrawal of the proposed regulations shortly in the Federal Register. Treasury and the IRS may propose more targeted guidance in the future after further study of the relevant legal issues." Notice of withdrawal of the proposed regulations was published in the Federal Register on October 20, 2017.

It has been reported that the IRS has closed audits of other community development districts in Florida with no change to such districts' bonds' tax-exempt status, but has advised such districts that such districts must have public electors within the timeframe established by the applicable state law or their bonds may be determined to be taxable retroactive to the date of issuance. Pursuant to the Act, general elections are not held until the later of six years from the date of establishment of the community development district or the time at which there are at least 250 qualified electors in the district. The District, unlike Village Center CDD, was formed with the intent that it will contain a sufficient number of residents to allow for a transition to control by a general electorate. Currently, all of the members of the Board of the District were elected by the landowners of the District and none were elected by qualified electors. See "THE DISTRICT – Governance" herein. The Landowner will certify as to its expectations as to the timing of the transition of control of the Board of the District to qualified electors pursuant to the Act, and its expectations as to compliance with the Act by any members of the Board that it elects. Such certification by the Landowner does not ensure that such certification shall be determinative of, or may influence the outcome of any audit by the IRS, or any appeal from such audit, that may result in an adverse ruling that the District is not a political subdivision for purposes of Section 103(a) of the Code. Further, there can be no assurance that an audit by the IRS of either Series of the Series 2020 Bonds will not be commenced. The District has no reason to believe that any such audit will be commenced, or that any such audit, if commenced, would result in a conclusion of noncompliance with any applicable state or federal law.

Owners of the Series 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 Series 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 Series 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 Series 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 Series 2020 Bonds would adversely affect the availability of any secondary market for the Series 2020 Bonds. Should interest on the Series 2020 Bonds become includable in gross income for federal income tax purposes, not only will Owners of Series 2020 Bonds be required to pay income taxes on the interest received on such Series 2020 Bonds and related penalties, but because the interest rate on such Series 2020 Bonds will not be adequate to compensate Owners of the Series 2020 Bonds for the income taxes due on such interest, the value of the Series 2020 Bonds may decline.

THE INDENTURE DOES NOT PROVIDE FOR ANY ADJUSTMENT IN THE INTEREST RATE ON THE SERIES 2020 BONDS IN THE EVENT OF AN ADVERSE DETERMINATION BY THE IRS WITH RESPECT TO THE TAX-EXEMPT STATUS OF INTEREST ON THE SERIES 2020 BONDS. PROSPECTIVE PURCHASERS OF THE SERIES 2020 BONDS SHOULD EVALUATE WHETHER THEY CAN OWN THE SERIES 2020 BONDS IN THE EVENT THAT THE INTEREST ON THE SERIES 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 HEREINAFTER DEFINED).

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

Since the Series 2020 Bonds have not been and will not be registered under the Securities Act of 1933, as amended (the "Securities Act"), or any state securities laws, because of the exemption for political subdivisions, if the District is ever deemed, by the IRS, judicially or otherwise, not to be a political subdivision for purposes of the Code, it is possible that federal or state regulatory authorities could 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 Series 2020 Bonds may not be able to rely on the exemption from registration under the Securities Act relating to securities issued by political subdivisions. In that event, the Owners of the Series 2020 Bonds would need to ensure that subsequent transfers of the Series 2020 Bonds are made pursuant to a transaction that is not subject to the registration requirements of the Securities Act.

### **Federal Tax Reform**

During recent years, legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 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 Series 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 Series 2020 Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation as well as the impact of federal legislation enacted in December 2017. See also "TAX MATTERS."

### **State Tax Reform**

It is impossible to predict what new proposals may be presented regarding ad valorem tax reform and/or community development districts during upcoming legislative sessions, whether such new proposals or any previous proposals regarding the same will be adopted by the Florida Senate and House of Representatives and signed by the Governor, 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 community development district bonds. This report renews requests made by the Auditor General in 2011 that led to the Governor of the State issuing an Executive Order on January 11, 2012 (the "Executive Order") directing the Office of Policy and Budget in the Executive Office of the Governor ("OPB") to examine the role of special districts in the State. As of the date hereof, the OPB has not made any recommendations pursuant to the Executive Order nor has the Florida legislature passed any related legislation. It is impossible to predict with certainty the impact that any existing or future legislation will or may have on the security for the Series 2020 Bonds. It should be noted that Section 190.16(14) of the Act provides in pertinent part that "The state pledges to the holders of any bonds issued under the Act that it will not limit or alter the rights of the district to levy and collect the ... assessments... and to fulfill the terms of any agreement made with the holders of such bonds ... and that it will not impair the rights or remedies of such holders."

### **Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the**

### **Construction of Homes within the Series 2020 Assessment Area**

The cost to finish the Series 2020 Project will exceed the net proceeds from the Series 2020 Bonds. There can be no assurance, in the event the District does not have sufficient moneys on hand to complete the Series 2020 Project, that the District will be able to raise, through the issuance of additional bonds or otherwise, the moneys necessary to complete the Series 2020 Project. Further, pursuant to the Indenture, the District will covenant and agree that the District shall not issue any other Bonds or other debt obligations for any capital project secured by Special Assessments on assessable lands within the District until the Series 2020 Special Assessments are Substantially Absorbed. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Additional Bonds" for more information.

Although the Landowner will agree to fund or cause to be funded the completion of the Series 2020 Project, regardless of the insufficiency of proceeds from the Series 2020 Bonds, and will enter into a completion agreement with the District as evidence thereof, there can be no assurance that the Landowner will have sufficient resources to do so. Such obligation of the Landowner is an unsecured obligation, [and the Landowner is a special-purpose entity whose assets consist primarily of its interest in the Series 2020 Assessment Area]. See "THE DEVELOPMENT – Developer Agreements" and "THE LANDOWNER" herein for more information.

Further, there is a possibility that, even if the District Lands are developed, the Builders (as defined herein) may not close on all or any of the lots therein, and such failure to close could negatively impact the construction of homes in the District. The Builder Contracts (as defined herein) may also be terminated by the Builders upon the occurrence or failure to occur of certain conditions set forth therein. Further, even if the lots in the District are sold pursuant to the Builder Contracts, there are no assurances that homes will be constructed and sold within the Series 2020 Assessment Area. See "THE DEVELOPMENT – Builder Contracts" herein for more information about the Builders and the Builder Contracts.

### **Payment of Series 2020 Special Assessments after Bank Foreclosure**

In the event a bank forecloses on property because of a default on a mortgage on any of the assessable lands within the District, and then the bank itself fails, the Federal Deposit Insurance Corporation (the "FDIC"), as receiver, will then become the fee owner of such property. In such event, the FDIC will not, pursuant to its own rules and regulations, likely be liable to pay the Series 2020 Special Assessments levied on such property. In addition, the District would require the consent of the FDIC prior to commencing a foreclosure action.



## ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of proceeds of the Series 2020 Bonds:

	<u>Total Series 2020 Bonds</u>
Sources of Funds:	
Principal Amount	\$ _____
[Less Original Issue Discount]	_____
Total Sources	<u>\$ _____</u>
Use of Funds:	
Deposit to Series 2020 Acquisition and Construction Account	\$ _____
Deposit to Series 2020 Escrow Account	_____
Deposit to Series 2020 Reserve Account	_____
Deposit to Series 2020 Interest Account <sup>(1)</sup>	_____
Costs of Issuance <sup>(2)</sup>	_____
Total Uses	<u>\$ _____</u>

(1) Includes Capitalized Interest through \_\_\_\_\_, 20\_\_\_\_.

(2) Costs of issuance include, without limitation, underwriter's discount, legal fees and other costs associated with the issuance of the Series 2020 Bonds.

[Remainder of page intentionally left blank]

## DEBT SERVICE REQUIREMENTS

The following table sets forth the scheduled debt service on the Series 2020 Bonds:

<b>Period Ending</b> <b>1</b>	<b>Series 2020 Bonds</b>		<b>Total Debt Service</b>
	<b>Principal</b>	<b>Interest</b>	

**Totals**

[Remainder of page intentionally left blank]

## **THE DISTRICT**

### **General**

The District is an independent local unit of special-purpose government created in accordance with the Act. The District was established under County Ordinance No. 18-036, which was enacted by the County on June 5, 2018 and approved and consented to by the City by Resolution No. 387-18 adopted on March 19, 2018. The District encompasses approximately 190.56 gross acres of land located partially within unincorporated Polk County, Florida and partially within the City of Davenport, Florida. The District is located north of North Boulevard and east of Highway 17/92 North. The District is in the process of amending its boundaries to expand the Existing District Lands to include an additional approximately [ ] gross acres of land planned for 8 developable units and recreation facilities referred to as the Annexed Parcel, located immediately to the west of the Existing District Lands. The District Lands (including the Annexed Parcel) are being developed as a planned residential community under the name [North Powerline Road] (the "Development"). See "THE DEVELOPMENT" herein for more information.

### **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. Initially, the Supervisors were appointed in the Ordinance. Within 90 days after formation of the District, an election was held pursuant to which new Supervisors were elected on an at-large basis by the owners of the property within the District. Ownership of land within the District entitles the owner to one vote per acre (with fractions thereof rounded upward to the nearest whole number). A Supervisor serves until expiration of his or her term and until his or her successor is chosen and qualified. If, during a term of office, a vacancy occurs, the remaining Supervisors may fill the vacancy by an appointment of an interim Supervisor for the remainder of the unexpired term.

At the initial election held within 90 days after formation of the District, the landowners in the District elected two Supervisors to four-year terms and three Supervisors to two-year terms. Thereafter, the elections take place every two years, with the first such election being held on the first Tuesday in November, and subsequent elections being held on a date in November established by the Board. Upon the later of six years after the initial appointment of Supervisors and the year when the District next attains at least 250 qualified electors, Supervisors whose terms are expiring will begin to be elected by qualified electors of the District. A qualified elector is a registered voter who is at least eighteen years of age, a resident of the District and the State and a citizen of the United States. At the election where Supervisors are first elected by qualified electors, two Supervisors must be qualified electors and be elected by qualified electors, each elected to four-year terms. The seat of the remaining Supervisor whose term is expiring at such election shall be filled by a Supervisor who is elected by the landowners for a four-year term and who is not required to be a qualified elector. Thereafter, as terms expire, all Supervisors must be qualified electors and must be elected by qualified electors to serve staggered four-year terms.

Notwithstanding the foregoing, if at any time the Board proposes to exercise its ad valorem taxing power, prior to the exercise of such power, it shall call an election at which all Supervisors shall be elected by qualified electors in the District. Elections subsequent to such decision shall be held in a manner such that the Supervisors will serve four-year terms with staggered expiration dates in the manner set forth in the Act.

The Act provides that it shall not be an impermissible conflict of interest under State law governing public officials for a Supervisor to be a stockholder, officer or employee of an owner of the land within the District.

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

<u>Name</u>	<u>Title</u>	<u>Term Expires</u>
Warren K. "Rennie" Heath II*	Chair	August 2022
Lauren Schwenk*	Vice-Chair	August 2020
Kevin Chinoy*	Assistant Secretary	August 2022
Phillip Allende	Assistant Secretary	August 2020
Andrew Rhinehart*	Assistant Secretary	August 2020

---

\* Elected by the landowners; affiliated with the Landowner or its affiliates.

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

### **Powers and Authority**

The District is an independent unit of local government created pursuant to, and established in accordance with, the Act. The Act was enacted in 1980 to provide a uniform method for the establishment of independent districts to manage and finance basic community development services, including capital infrastructure required for community developments throughout the State of Florida. The Act provides legal authority for community development districts (such as the District) to finance the acquisition, construction, operation and maintenance of the major infrastructure for community development pursuant to its general law charter.

Among other provisions, the Act gives the District's Board of Supervisors the authority: (a) to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate and maintain systems, facilities, and basic infrastructure for, among other things: (i) water management and control for lands within the District and to connect any of such facilities with roads and bridges, (ii) water supply, sewer and waste-water management, reclamation and reuse systems or any combination thereof and to construct and operate connecting intercept or outlet sewers and sewer mains and pipes and water mains, conduits, or pipelines in, along, and under any street, alley, highway, or other public place or ways, and to dispose of any effluent, residue, or other byproducts of such system or sewer system, (iii) District roads equal to or exceeding the specifications of the county in which such District roads are located and street lights, landscaping, hardscaping and undergrounding of electric utility lines, (iv) conservation areas, mitigation areas, and wildlife habitat, (v) any other project, facility, or service required by a development approval, interlocal agreement, zoning condition, or permit issued by a governmental authority with jurisdiction in the District, and (vi) with the consent of the local general-purpose government within the jurisdiction of which the power is to be exercised, parks and facilities for indoor and outdoor recreational uses, and security; (b) to borrow money and issue bonds of the District; (c) to impose and foreclose special assessments liens as provided in the Act; and (d) to exercise all other powers, necessary, convenient, incidental or proper in connection with any of the powers or duties of the District stated in the Act.

Also, pursuant to the Ordinance, the District has been granted special powers pursuant to Sections 190.012(1), 190.012(2)(a) of the Act, as well as Sections 190.012(b) – (f) of the Act if said improvements and each of their specifications are first approved by the County. Such special powers include, but are not limited to, the right to (i) finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain additional systems and facilities for parks and facilities for indoor and outdoor recreational, cultural and educational uses; and (ii) construct and maintain a perimeter wall/fence for the District so long as the construction and specifications of the wall/fence are first approved by the County.

The Act does not empower the District to adopt and enforce land use plans or zoning ordinances or to grant building permits; these functions are performed by the County, as applicable, acting through their respective Commissions and departments of government.

The Act exempts all property owned by the District from levy and sale by virtue of an execution and from judgment liens.

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

The chief administrative official of the District is the 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 preserving and maintaining any improvement or facility constructed or erected pursuant to the provisions of the Act, for maintaining and operating the equipment owned by the District, and for performing such other duties as may be prescribed by the Board. Governmental Management Services – Central Florida, LLC, serves as District Manager. The District Manager's corporate office is located at 135 W. Central Boulevard, Suite 320, Orlando, Florida 32801.

The Act further authorizes the Board to hire such employees and agents as it deems necessary. Thus, the District has employed the services of Hopping Green & Sams, P.A., Tallahassee, Florida, as District Counsel; Greenberg Traurig, P.A., Miami, Florida, as Bond Counsel; and Governmental Management Services – Central Florida, LLC, Orlando, Florida, serves as Methodology Consultant for the Series 2020 Bonds.

### **No Outstanding Indebtedness**

The District has not previously issued any bonds or other debt obligations.

[Remainder of page intentionally left blank.]

## THE CAPITAL IMPROVEMENT PLAN AND THE SERIES 2020 PROJECT

The Amended and Restated Engineer's Report dated [August 2019] (the "Engineer's Report"), prepared by Absolute Engineering, Inc. (the "District Engineer"). The Engineer's Report sets forth certain public infrastructure improvements to be constructed in the District as set forth below and described in more detail in the Engineer's Report (collectively, the "Capital Improvement Plan" or the "CIP"). The Engineer's Report estimates the total cost of the District's CIP at \$16,505,000.

The CIP is being implemented in phases. The net proceeds from the Series 2020 Bonds will fund a portion of the CIP associated with the development of Phase 1 of the District, including without limitation stormwater management, roadways, parks and amenities, water and sewer facilities, street lighting, an entry feature and off-site improvements (collectively, the "Series 2020 Project"). Phase 1 is currently planned for [273] single-family residential lots. According to the District Engineer, the costs associated with the Series 2020 Project are approximately \$7,535,000, as more particularly described below:

<b>Infrastructure</b>	<b>Series 2020 Project</b>
Off-Site Improvements	\$ 140,000
Stormwater Management	3,325,000
Utilities (Water, Sewer, & Street Lighting)	1,965,000
Roadway	1,250,000
Entry Feature	100,000
Parks and Amenities	420,000
Contingency	335,000
<b>TOTAL</b>	<b>\$7,535,000</b>

The net proceeds of the Series 2020 Bonds, consisting of approximately \$5.4 million,\* will be used to construct a portion of the Series 2020 Project. The Landowner will enter into a completion agreement that will obligate the Landowner to complete any portions of the Series 2020 Project not funded with proceeds of the Series 2020 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes within the Series 2020 Assessment Area" herein.

Land development associated with the Series 2020 Project [is expected to commence/commenced] in \_\_\_\_\_ 20\_\_ and is expected to be completed in the \_\_\_\_\_ quarter of 20\_\_.

The District anticipates issuing additional bonds in the future to complete the infrastructure in future phases of the Development; however, such additional bonds will be secured by special assessments levied against District Lands separate and distinct from the District Lands subject to the Series 2020 Assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Limitations on Issuance of Additional Bonds."

---

\* Preliminary, subject to change.

The District Engineer has indicated that all engineering permits necessary to construct the Series 2020 Project that are set forth in the Engineer's Report have been obtained or will be obtained in the ordinary course of business. In addition to the Engineer's Report, please refer to "THE DEVELOPMENT – Development Approvals" for a more detailed description of the entitlement and permitting status of the Development, including certain additional permits needed for development of District Lands.

[Remainder of page intentionally left blank.]

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

The Supplemental Assessment Methodology – Phase 1 dated February 5, 2020 (the "Supplemental Methodology"), which allocates the Series 2020 Special Assessments to the lands within the Series 2020 Assessment Area, has been prepared by Governmental Management Services – Central Florida, LLC, Orlando, Florida (the "Methodology Consultant"). See "EXPERTS" herein for more information. The Supplemental Assessment Methodology supplements the Master Assessment Methodology Report dated July 11, 2018, prepared by Fishkind & Associates, Inc. (the "Master Methodology" and, together with the Supplemental Methodology, the "Assessment Methodology"). A copy of the Assessment Methodology is included herein as APPENDIX D. Once the final terms of the Series 2020 Bonds are determined, the Assessment Methodology will be further supplemented to reflect such final terms. Once levied and imposed, the Series 2020 Special Assessments are a first lien on the assessed lands within the Series 2020 Assessment Area until paid or barred by operation of law, co-equal with other taxes and assessments levied by the District and other units of government. See "ENFORCEMENT OF ASSESSMENT COLLECTIONS" herein. [Even though the Assessment Methodology describes the Series 2020 Special Assessments as being imposed on the assessable lands within the Annexed Parcel, such Series 2020 Special Assessments will not be imposed on the Annexed Parcel until the Release Conditions are satisfied, which must occur on or before the Close-Out Date, and until statutory provisions regarding the imposition of special assessments are complied with and completed.]

The Series 2020 Bonds are payable from and secured by a pledge of the Series 2020 Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2020 Special Assessments. The District will initially impose the Series 2020 Special Assessments on an equal acreage basis, across all of the assessable lands within the Existing District Lands, which contain approximately 83.38 gross acres planned for [273] single-family homes. [Subject to satisfaction of certain conditions set forth in the First Supplemental Indenture, the Series 2020 special Assessments will also be levied on an equal acreage basis on the approximately [ ] acres within the Annexed Parcel planned for 8 single-family homes.] As the unplatted lands within the Series 2020 Assessment Area (including the Annexed parcel when and if the Release Conditions are satisfied) are platted, the debt will be transferred from gross acres to platted lots in accordance with the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" for more information.

Upon full platting of the Series 2020 Assessment Area, the Series 2020 Special Assessments levied and allocated to platted units to pay debt service on the Series 2020 Bonds and the par per unit for the Series 2020 Bonds are estimated to be as follows:



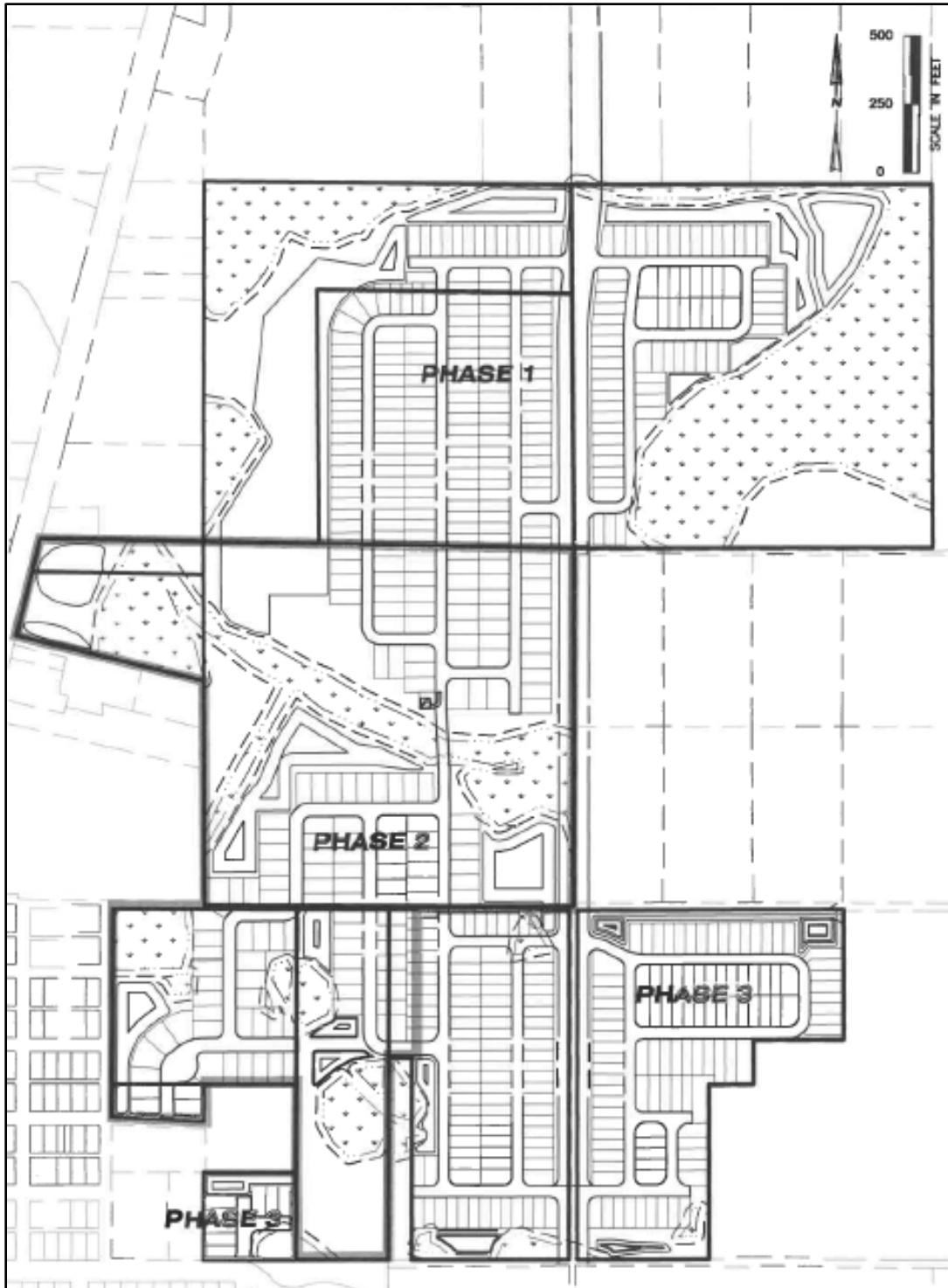
<b>Product</b>	<b>Number of Planned Units</b>	<b>Gross Annual Series 2020 Special Assessment*</b>	<b>Series 2020 Bonds Total Par Per Unit*</b>
Single-Family 40'	[218]	[\$1,304]	[\$20,350]
Single-Family 55'	[52]	[\$1,408]	[\$21,987]
Single-Family 65'	[3]	[\$1,408]	[\$21,987]

\* Preliminary, subject to change. Annual assessment levels shown assume collection via the Uniform Method and include a gross up to account for County collection costs/payment discounts, which may fluctuate. [Pursuant to the terms of the Builder Contracts, the Landowner will pay down the Series 2020 Special Assessments on each lot no later than closing with the applicable Builder on such lot so that the annual assessment for such lot will not exceed \$1,250 for each lot, including collection costs, representing a pay down of approximately \$\_\_\_\_) (preliminary, subject to change). See "THE DEVELOPMENT – Builder Contracts" herein for more information regarding the Builder Contracts. Such paydown is not an obligation of the District.]

The District expects to levy assessments to cover its operation and administrative costs which are expected to be approximately \$\_\_\_\_ per single-family unit annually, but such amounts are subject to change. The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. These taxes would be payable in addition to the Series 2020 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Polk County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in the current year. See "THE DEVELOPMENT – Taxes, Fees and Assessments" for more information.

Set forth on the following page is a map depicting the location of the District Lands and the Series 2020 Assessment Area, which corresponds to Phase 1, therein.

[Remainder of page intentionally left blank.]



[Remainder of page intentionally left blank.]

*The information appearing below under the captions "THE DEVELOPMENT" and "THE LANDOWNER" has been furnished by the Landowner for inclusion in this Limited Offering Memorandum and, although believed to be reliable, such information has not been independently verified by Bond Counsel, the District or its counsel, or the Underwriter or its counsel, and no persons other than the Landowner make any representation or warranty as to the accuracy or completeness of such information supplied by them. The following information is provided by the Landowner as a means for the prospective bondholders to understand the anticipated development plan and risks associated with the Development. The Landowner is not guaranteeing payment of the Series 2020 Bonds or the Series 2020 Special Assessments.*

## **THE DEVELOPMENT**

### **General**

The boundaries of the District include a total of approximately 190.56 gross acres of land (the "Existing District Lands") located partially within unincorporated Polk County (the "County") and partially within the City of Davenport (the "City"). The Existing District Lands, together with the additional [ ]-acre Annexed Parcel, are being developed as a planned residential community under the name "Bella Vita" (the "Development"). The Development is located north of North Boulevard East and east of Highway 17/92 North.

At buildout, the Development will contain up to [585] single-family units and associated infrastructure and recreation and amenity area in the Development. The development is being developed in phases. The Series 2020 Special Assessments will initially be levied on all of the assessable lands within Phase 1 of the Existing District Lands, which are planned for [273] single-family residential lots. The "Series 2020 Assessment Area" shall initially mean the lands within Phase 1, but shall also include the Annexed Parcel upon such lands being added into the District and the other Release Conditions, including the levy of Series 2020 Special Assessments therein. Being satisfied on or before the Close-Out Date of \_\_\_\_\_, 2020 in compliance with applicable statutory provisions regarding the imposition of special assessments. See "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Acquisition and Construction Account and Escrow Subaccount" herein. See also "–Expansion of the District Boundary to Include the Annexed Parcel" below for more information.

[\_\_\_\_\_,] a Florida limited liability company ] (the "Landowner"), is the owner of the lands within the Series 2020 Assessment Area. See "THE LANDOWNER" herein for more information. The Landowner has entered into contracts with the following builders for the sale of [273] developed lots within the Development: [(i) Lennar Homes (as defined herein) to purchase [73] developed lots in the Series 2020 Assessment Area (ii) D.R. Horton (as defined herein) to purchase 142 developed lots in the Series 2020 Assessment Area and (iii) Adams Homes (as defined herein) to purchase 51 developed lots in the Series 2020 Assessment Area]. See "– Builder Contracts" herein for more information.

Home prices in the Development are expected to range from the low \$\_\_\_\_\_ to the high \$\_\_\_\_\_. See "–Residential Product Offerings" herein.

### **Expansion of the District Boundary to Include the Annexed Parcel**

The District is in the process of expanding the boundary of the District to add the land known as the Annexed Parcel to the District. The Annexed Parcel is comprised of approximately [ ] acres and is planned for approximately 8 single-family lots and recreational facilities. The District filed a petition to add the Annexed Parcel on \_\_\_\_\_, 2020 with the County and expects that such expansion will be completed by \_\_\_\_\_, 20\_\_.

[Description of development of the Annexed Parcel to come.]

### **Land Acquisition**

The Landowner acquired title to the [Existing District Lands / the lands within Phase 1 of the Existing District Lands] from [JMBI] on \_\_\_\_\_, 2020, for an aggregate purchase price of approximately \$\_\_\_\_\_ million. [Additionally, the Landowner acquired title to the lands within the Annexed Parcel on \_\_\_\_\_, 2020, for an aggregate purchase price of approximately \$\_\_\_\_\_ million.] [There are currently no mortgages on the Landowner's lands in the Series 2020 Assessment Area.] [The remaining District Lands are owned by \_\_\_\_\_ / under contract with \_\_\_\_\_.]

### **Development Finance Plan**

The total cost to develop the [273] lots planned for the Series 2020 Assessment Area [(including the Annexed Parcel)] is expected to be approximately [\$7,535,000] (the "Series 2020 Project"). See "THE SERIES 2020 PROJECT" herein. Net proceeds of the Series 2020 Bonds will fund approximately \$5.4 million\* of costs of the Series 2020 Project. See " – Expansion of the District Boundary to Include the Annexed Parcel" herein for a discussion of escrow requirements established with respect to portions of the net proceeds of the Series 2020 Bonds in connection with the Annexed Parcel. Costs not funded from proceeds of the Series 2020 Bonds will be funded by the Landowner. The Landowner will enter into a completion agreement at closing on the Series 2020 Bonds whereby it will agree to fund the completion of the Series 2020 Project. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes within the Series 2020 Assessment Area" herein.

### **Development Status and Plan**

Land development of Phase 1 of the Existing District Lands [commenced/is expected to commence in] \_\_\_\_\_ 20\_\_ and is expected to be complete by the \_\_\_\_\_ quarter of 20\_\_. Land development in the Annexed Parcel is expected to commence in \_\_\_\_\_ 20\_\_ and be completed by the \_\_\_\_\_ quarter of 20\_\_. In accordance with the Builder Contracts, lots are expected to be delivered to the Builders by the \_\_\_\_\_ quarter of 20\_\_.

The Landowner anticipates that home sales will commence in the \_\_\_\_\_ quarter of 20\_\_, with closings to end users commencing in the \_\_\_\_\_ quarter of 20\_\_. Based on sales at nearby communities, the Landowner expects that homes will be closed with residential end users at the rate of approximately 150 homes per year until buildout. These anticipated absorption rates are based upon estimates and assumptions made by the Landowner that are inherently uncertain, though considered reasonable by the Landowner, and are subject to significant business, economic, and competitive uncertainties and contingencies, all of which are difficult to predict and many of which are beyond the control of the Landowner. As a result, there can be no assurance such absorption rates will occur or be realized in the timeframes anticipated.

### **Builder Contracts**

The Landowner has entered into contracts with D.R. Horton, Lennar Homes and Adams Homes (collectively, the "Builders"), for all of the [273] lots planned for Phase 1 of the District (collectively, the "Builder Contracts"). The Builder Contracts are summarized in the chart below. For more detailed information regarding each Builder Contract, see the discussion below.

---

\* Preliminary, subject to change.

<b><u>Builder</u></b>	<b><u># of Lots</u></b>	<b><u>Deposit</u></b>	<b><u>Price</u></b>	<b><u>Closing</u></b>
D.R. Horton	142	[\$568,000]	Aggregate price of \$5,680,000 (\$40,000 / lot)	Single closing on 142 lots following substantial completion date
Lennar	[73]	[\$438,000]	Aggregate price of \$2,920,000 (\$40,000 / lot)	Single closing on [73] lots following satisfaction of closing conditions
Adams Homes	51	\$102,000	Aggregate price of \$2,550,000 (50,000 / lot)	Single closing on 51 lots following satisfaction of closing conditions

### **D.R. Horton**

[An affiliate of the Landowner] has entered into a Lot Purchase Agreement effective November 7, 2019, as amended (the "D.R. Horton Contract") with D.R. Horton Inc., a Delaware corporation ("D.R. Horton"). The D.R. Horton Contract provides for the sale in a single bulk purchase of one hundred forty-two (142) developed residential lots planned within Phase 1 of the Development. The D.R. Horton Contract provides for a purchase price of \$40,000 per lot for an aggregate purchase price of \$5,680,000. Pursuant to the D.R. Horton Contract, the Closing shall occur on the date that is no more than thirty days after the later of (i) the date that D.R. Horton issues a notice of suitability for the lots or (ii) the date on which all of the conditions to closing have been satisfied by the Landowner. The Landowner anticipates the Closing will occur in \_\_\_\_\_ 20\_\_.

Pursuant to the D.R. Horton Contract, D.R. Horton has made a total deposit of [\$568,000, which deposit will be released to the Landowner upon the satisfaction of certain conditions, including the recording of a mortgage securing such deposit.] There is a risk that D.R. Horton may not close on any lots pursuant to the D.R. Horton Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes within the Series 2020 Assessment Area" herein.

D.R. Horton is a Delaware corporation whose stock trades on the New York Stock Exchange under the symbol DHI. D.R. Horton is subject to the informational requirements of the Exchange Act and in accordance therewith files reports, proxy statements, and other information with the SEC. The SEC file number for D.R. Horton is No-1-14122. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by D.R. Horton 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.

### **Lennar Homes**

[An affiliate of the Landowner] has entered into an Agreement for the Purchase and Sale of Real Property dated as of August 22, 2019 (the "Lennar Homes Contract") with Lennar Homes, a Florida limited liability company ("Lennar Homes"). The Lennar Homes Contract provides for the bulk sale of the seventy-three (73) fully developed residential lots planned within Phase 1 of the Development. The Lennar Homes Contract provides for the purchase price of \$40,000 per lot, for an aggregate purchase price of approximately \$2,920,000. Pursuant to the Lennar Homes Contract, the Closing shall occur on

the earlier of (i) fifteen (15) days after Lennar Homes delivers notice accepting that the development obligations contained in the Lennar Homes Contract are complete or (ii) three hundred five (305) days after Lennar Homes issues its notice to proceed with the Lennar Homes Contract following the expiration of its investigation period. The Landowner anticipates the Closing will occur in \_\_\_\_\_20\_\_.

Pursuant to the Lennar Homes Contract, Lennar Homes [has made a total deposit of \$438,000, which deposit may be released / has been released] to the Landowner following the termination of the investigation period upon the satisfaction of certain conditions, [including the recording of a mortgage in favor of Lennar Homes.] There is a risk that Lennar Homes may terminate the Lennar Homes Contract prior to the expiration of its inspection period, may not close on any lots pursuant to the Lennar Homes Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes in the Series 2020 Assessment Area" herein.

Lennar Homes was formed on November 30, 2006 and is wholly owned by Lennar Corporation ("Lennar Corp."). Lennar Corp. stock trades on the New York Stock Exchange under the symbol LEN. Lennar Corp. is subject to the informational requirements of the Securities and Exchange Commission Act of 1934, as amended, and in accordance therewith files reports, proxy statements, and other information with the Securities and Exchange Commission (the "SEC"). The file number for Lennar Corp. is No-1-11749. Such reports, proxy statements, and other information can be inspected and copied at the Public Reference Section of the SEC, Room 100 F Street, N.E., Washington D.C. 20549 and at the SEC's internet website at <http://www.sec.gov>. Copies of such materials can be obtained by mail from the Public Reference Section of the SEC at prescribed rates. All documents subsequently filed by Lennar Corp. pursuant to the requirements of the Securities and Exchange Commission Act of 1934 after the date of this Limited Offering Memorandum will be available for inspection in the same manner as described above.

### **Adams Homes**

[An affiliate of the Landowner] has entered into a Real Estate Purchase Agreement dated September 4, 2019, as amended (the "Adams Homes Contract") with Adams Homes of Northwest Florida, Inc., a Florida corporation ("Adams Homes"). The Adams Homes Contract provides for the bulk sale of fifty-one (51) fully developed residential lots planned within Phase 1 of the Development. The Adams Homes Contract provides for the purchase price of \$50,000 per lot, for an aggregate purchase price of approximately \$2,550,000. Pursuant to the Adams Homes Contract the Closing shall occur within thirty (30) days following Subdivision Completion, which is required to occur no later than October 31, 2020, as set forth in the Adams Homes Contract. The Landowner anticipates the Closing will occur in \_\_\_\_\_20\_\_.

Pursuant to the Adams Homes Contract, Adams Homes has made a deposit of \$102,000, which is non-refundable to Adams Homes other than upon the failure of the Landowner to achieve Subdivision Completion by October 31, 2020 or other failures to perform under the Adams Home Contract. There is a risk that Adams Homes may not close on any lots pursuant to the Adams Homes Contract or may fail to construct homes on such lots. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes in the Series 2020 Assessment Area" herein.

According to its website, Adams Homes is a privately held Florida corporation, which was founded in 1991 and is headquartered in Gulf Breeze, Florida. Adams Homes, directly or through

affiliates, builds homes throughout the southeastern United States, including Florida, Alabama, Mississippi, Georgia, Tennessee, North Carolina and South Carolina, and reports over 35,000 homes delivered to homebuyers. Adams Homes has been building homes in the Tampa, Florida area since 2007, with homes designed for first-time buyers, move-up buyers and empty-nesters.

*Neither the Builders nor any of the other entities listed above are guaranteeing payment of the Series 2020 Bonds or the Series 2020 Special Assessments. None of the entities listed herein, other than the Landowner, has entered into any agreements in connection with the issuance of the Series 2020 Bonds.*

## Residential Product Offerings

The following table reflects the Landowner's current expectations for the homes planned for the Development, all of which are subject to change:

<b>Product Type</b>	<b>Approx. Square Footage</b>	<b>Bed/Bath</b>	<b>Estimated Average Home Price</b>
Single-Family 40'	_____ – _____	___/___	\$ _____
Single-Family 55'	_____ – _____	___/___	\$ _____
Single-Family 65'	_____ – _____	___/___	\$ _____

## Public Schools

School age residents of the Development will attend \_\_\_\_\_ Elementary School, \_\_\_\_\_ Middle School and \_\_\_\_\_ High School, which are located approximately \_\_\_\_\_ miles, \_\_\_\_\_ miles and \_\_\_\_\_ miles away from the Development, respectively, and which received grades of \_\_\_, \_\_\_ and \_\_\_, respectively, from the State in 2019 (the most recent year for which grades are available). The Polk County School Board may change school boundaries from time to time, and there is no requirement that students residing in the Development be permitted to attend the schools which are closest to the Development.

## Development Approvals

### Existing District Lands

[The Landowner has received zoning approval for the Existing District Lands that allows for development of the \_\_\_ single-family residential units planned for the Existing District Lands. Zoning conditions are: \_\_\_\_.]

[Permit status to come.] All permits and approvals by jurisdictional agencies to allow for the development contemplated herein have been received or are expected to be received in the ordinary course.

### Annexed Parcel

[Description to come.]

See "BONDOWNERS' RISKS – Regulatory and Environmental Risks" herein. See also "–Expansion of the District Boundary to Include the Annexed Parcel" and "SECURITY FOR AND SOURCE OF PAYMENT OF THE SERIES 2020 BONDS – Acquisition and Construction Account and Escrow Subaccount" and "DESCRIPTION OF THE SERIES 2020 BONDS – Redemption Provisions – Extraordinary Mandatory Redemption" herein for more information regarding the escrow Series 2020 Bond proceeds being established with respect to the Annexed Parcel.

## **Environmental**

A Phase I Environmental Site Assessment was performed on the lands within Phase 1 of the Existing District Lands on June 16, 2017 (the "ESA"). The ESA indicates that the lands in Phase 1 were previously used as a wastewater spray field and recommended further groundwater and soil testing, which is expected to occur during site development, along with the removal of all trash and debris located on the subject lands. [Additionally, a Phase I Environmental Site Assessment was performed on the lands within the Annexed Parcel on \_\_\_\_\_, 2020 (the "Annexed ESA"). The Annexed ESA found no recognized environmental conditions ("REC") on the lands within the Annexed Parcel.] See "BONDOWNERS' RISK – Regulatory and Environmental Risks" herein for more information regarding potential environmental risks.

## **Utilities**

Electric utilities will be provided to the Development by Duke Energy. Potable water and sanitary sewer service to the Development will be provided by the City of Davenport Public Utilities. Reclaimed water is not available for the Development. See "APPENDIX A: ENGINEER'S REPORT" attached hereto for more information regarding the ownership and maintenance of utilities within the Development.

## **Taxes, Fees and Assessments**

The Series 2020 Bonds are payable from and secured by a pledge of the Series 2020 Pledged Revenues, which consist primarily of the revenues received by the District from the Series 2020 Special Assessments. The District will initially impose the Series 2020 Special Assessments on an equal acreage basis, across all of the assessable lands within the Existing District Lands, which contain approximately 83.38 gross acres planned for [273] single-family homes. [Subject to satisfaction of certain conditions set forth in the First Supplemental Indenture, the Series 2020 special Assessments will also be levied on an equal acreage basis on the approximately [ ] acres within the Annexed Parcel planned for 8 single-family homes.] As the unplatted lands within the Series 2020 Assessment Area are platted, the debt will be transferred from gross acres to platted lots in accordance with the Assessment Methodology. See "ASSESSMENT METHODOLOGY AND THE ALLOCATION OF ASSESSMENTS" herein and "APPENDIX D: ASSESSMENT METHODOLOGY" for more information.

Upon full platting of the Series 2020 Assessment Area, the Series 2020 Special Assessments levied and allocated to platted units to pay debt service on the Series 2020 Bonds and the par per unit for the Series 2020 Bonds are estimated to be as follows:



<b>Product</b>	<b>Number of Planned Units</b>	<b>Gross Annual Series 2020 Special Assessment*</b>	<b>Series 2020 Bonds Total Par Per Unit*</b>
Single-Family 40'	[218]	[\$1,304]	[\$20,350]
Single-Family 55'	[52]	[\$1,408]	[\$21,987]
Single-Family 65'	[3]	[\$1,408]	[\$21,987]

\* Preliminary, subject to change. Annual assessment levels shown assume collection via the Uniform Method and include a gross up to account for County collection costs/payment discounts, which may fluctuate. [Pursuant to the terms of the Builder Contracts, the Landowner will pay down the Series 2020 Special Assessments on each lot no later than closing with the applicable Builder on such lot so that the annual assessment for such lot will not exceed \$1,250 for each lot, including collection costs, representing a pay down of approximately \$\_\_\_\_) (preliminary, subject to change). See "– Builder Contracts" herein for more information regarding the Builder Contracts. Such paydown is not an obligation of the District.]

The District expects to levy assessments to cover its operation and administrative costs which are currently expected to be approximately \$\_\_\_\_ per single-family unit annually, but such amounts are subject to change. In addition, residents will be required to pay homeowners' association fees which are currently estimated to be [\$150] per residential lot annually, which amounts are subject to change. The land within the District has been and will continue to be subject to taxes and assessments imposed by taxing authorities other than the District. The total millage rate applicable to lands within the Series 2020 Assessment Area in 2019 was approximately [21.0226] mills. These taxes would be payable in addition to the Series 2020 Special Assessments and any other assessments levied by the District. In addition, exclusive of voter approved millages levied for general obligation bonds, as to which no limit applies, the County and the School Board of Polk County each levy ad valorem taxes upon the land in the District. The District has no control over the level of ad valorem taxes and/or special assessments levied by other taxing authorities. It is possible that in future years taxes levied by these other entities could be substantially higher than in 2019.

### **Amenities**

[The Development will include an amenity center consisting of a pavilion with a restroom facility, pool, tot lot, dog park, all-purpose play field, parking area and walking trails connecting the different phases of the Development to the Amenity Center (collectively, the "Amenity Center"). The total cost of the Amenity Center for the Development is estimated to be [approximately \$1 million] and [a portion of which] is included in the cost of the Series 2020 Project. Construction of the Amenity Center will commence in \_\_\_\_\_ 2020 and is expected to be completed by the \_\_\_\_\_ quarter of 20\_\_\_\_. Upon completion, the Amenity will be owned and operated by the District and will be available for use by the general public.]

### **Competition**

The Development is expected to compete with projects in the northeast Polk County market generally, which include \_\_\_\_\_. The foregoing does not purport to summarize all of the existing or planned communities in the area of the Development.

### **Landowner Agreements**

As previously noted, the Landowner will enter into a completion agreement that will obligate the Landowner to complete any portions of the Series 2020 Project not funded with proceeds of the Series

2020 Bonds. See "BONDOWNERS' RISKS – Insufficient Resources or Other Factors Causing Failure to Complete the Series 2020 Project or the Construction of Homes within the Series 2020 Assessment Area."

In addition, the Landowner will execute and deliver to the District a Collateral Assignment and Assumption of Development Rights, pursuant to which the Landowner will collaterally assign to the District, to the extent assignable and to the extent that they are solely owned or controlled by the Landowner, development rights relating the Series 2020 Project and the development of the Series 2020 Assessment Area. Notwithstanding such Agreement, in the event the District forecloses on the lands subject to the Series 2020 Special Assessments as a result of a Landowner's or subsequent landowners' failure to pay such assessments, there is a risk that the District will not have all permits and entitlements necessary to complete the Series 2020 Project.

The Landowner will also enter into a True-Up Agreement in connection with its obligations to pay true-up payments in the event that debt levels remaining on unplatted or re-platted lands in the District increase above the maximum debt levels set forth in the Assessment Methodology. See "APPENDIX D: ASSESSMENT METHODOLOGY" herein for additional information regarding the "true-up mechanism."

Such obligations of the Landowner are unsecured obligations, [and the Landowner is a special-purpose entity whose assets consist primarily of its interests in the Series 2020 Assessment Area.] See "THE LANDOWNER" herein for more information regarding the Landowner.

## **THE LANDOWNER**

### **General**

[To come.]

### **Development Manager**

The Landowner is entering into a management agreement with Heath Construction and Management, LLC, a Florida limited liability company (the "Development Manager") to oversee development of the [District Lands / Series 2020 Assessment Area]. The Development Manager was formed on November 2, 2006, and is engaged in the business of providing commercial and residential land acquisition and development planning, budgeting, due diligence services, construction management and government liaison services. Warren K. Heath II is the managing member of the Development Manager, which he started after spending five years as the Director of Development for Highland Cassidy and Cassidy Homes. Mr. Heath has overseen the development for over 65 properties consisting of over 5,000 acres across Central Florida.

*Neither the Landowner, the Development Manager nor any of the other individuals or entities listed above is guaranteeing payment of the Series 2020 Bonds or the Series 2020 Special Assessments. None of the entities listed herein, other than the Landowner, has entered into any agreements in connection with the issuance of the Series 2020 Bonds.*

## **TAX MATTERS**

### **General**

The Internal Revenue Code of 1986, as amended (the "Code"), includes requirements that the District must continue to meet after the issuance of the Series 2020 Bonds in order that the interest on the Series 2020 Bonds be and remain excludable from gross income for federal income tax purposes. The District's failure to meet these requirements may cause the interest on the Series 2020 Bonds to be included in gross income for federal income tax purposes retroactively to the date of issuance of the Series 2020 Bonds. The District has covenanted in the Bond Resolution to take the actions required by the Code in order to maintain the exclusion from gross income for federal income tax purposes of interest on the Series 2020 Bonds.

In the opinion of Greenberg Traurig, P.A., Bond Counsel, assuming the accuracy of certain representations and certifications of the District and continuing compliance by the District with the tax covenants referred to above, under existing statutes, regulations, rulings, and court decisions, the interest on the Series 2020 Bonds is excludable from gross income of the holders thereof for federal income tax purposes. Interest on the Series 2020 Bonds is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals. Bond Counsel is further of the opinion that the Series 2020 Bonds and the income thereon are not subject to taxation under the laws of the State, except as to estate taxes and taxes under Chapter 220, Florida Statutes, on interest, income, or profits on debt obligations owned by corporations as defined in said Chapter 220. Bond Counsel will express no opinion as to any other tax consequences regarding the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should consult their own tax advisors as to the status of interest on the Series 2020 Bonds under the tax laws of any state other than the State.

The above opinion on federal tax matters with respect to the Series 2020 Bonds will be based on and will assume the accuracy of certain representations and certifications of the District and the Landowner, and compliance with certain covenants of the District to be contained in the transcript of proceedings and that are intended to evidence and assure the foregoing, including that the Series 2020 Bonds will be and will remain obligations the interest on which is excludable from gross income for federal income tax purposes. Bond Counsel will not independently verify the accuracy of those certifications and representations. Bond Counsel will express no opinion as to any other consequences regarding the Series 2020 Bonds.

Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the receipt or accrual of the interest on the Series 2020 Bonds, or the ownership or disposition of the Series 2020 Bonds. Prospective purchasers of Series 2020 Bonds should be aware that the ownership of Series 2020 Bonds may result in other collateral federal tax consequences, including (i) the denial of a deduction for interest on indebtedness incurred or continued to purchase or carry the Series 2020 Bonds, (ii) the reduction of the loss reserve deduction for property and casualty insurance companies by the applicable statutory percentage of certain items, including the interest on the Series 2020 Bonds, (iii) the inclusion of the interest on the Series 2020 Bonds in the earnings of certain foreign corporations doing business in the United States for purposes of a branch profits tax, (iv) the inclusion of the interest on the Series 2020 Bonds in the passive income subject to federal income taxation of certain Subchapter S corporations with Subchapter C earnings and profits at the close of the taxable year, and (v) the inclusion of interest on the Series 2020 Bonds in the determination of the taxability of certain Social Security and Railroad Retirement benefits to certain recipients of such benefits. The nature and extent of the other tax consequences described above will depend on the particular tax status and situation of each owner of the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should consult their own tax advisors as to the impact of these other tax consequences.

Bond Counsel's opinion is based on existing law, which is subject to change. Such opinion is further based on factual representations made to Bond Counsel as of the date of issuance of the Series 2020 Bonds. Bond Counsel assumes no duty to update or supplement its opinion to reflect any facts or circumstances that may thereafter come to Bond Counsel's attention, or to reflect any changes in law that may thereafter occur or become effective. Moreover, Bond Counsel's opinion is not a guarantee of a particular result, and is not binding on the IRS or the courts; rather, such opinion represents Bond Counsel's professional judgment based on its review of existing law, and in reliance on the representations and covenants that it deems relevant to such opinion.

### **[Original Issue Discount and Premium]**

[Certain of the Series 2020 Bonds ("Discount Bonds") may be offered and sold to the public at an original issue discount ("OID"). OID is the excess of the stated redemption price at maturity (the principal amount) over the "issue price" of a Discount Bond determined under Code Section 1273 or 1274 (*i.e.*, for obligations issued for money in a public offering, the initial offering price to the public (other than to bond houses and brokers) at which a substantial amount of the obligation of the same maturity is sold pursuant to that offering). For federal income tax purposes, OID accrues to the owner of a Discount Bond over the period to maturity based on the constant yield method, compounded semiannually (or over a shorter permitted compounding interval selected by the owner). The portion of OID that accrues during the period of ownership of a Discount Bond (i) is interest excludable from the owner's gross income for federal income tax purposes to the same extent, and subject to the same considerations discussed above, as other interest on the Series 2020 Bonds, and (ii) is added to the owner's tax basis for purposes of determining gain or loss on the maturity, redemption, prior sale, or other disposition of that Discount Bond.

Certain of the Series 2020 Bonds ("Premium Bonds") may be offered and sold to the public at a price in excess of their stated redemption price (the principal amount) at maturity (or earlier for certain Premium Bonds callable prior to maturity). That excess constitutes bond premium. For federal income tax purposes, bond premium is amortized over the period to maturity of a Premium Bond, based on the yield to maturity of that Premium Bond (or, in the case of a Premium Bond callable prior to its stated maturity, the amortization period and yield may be required to be determined on the basis of an earlier call date that results in the lowest yield on that Premium Bond), compounded semiannually (or over a shorter permitted compounding interval selected by the owner). No portion of that bond premium is deductible by the owner of a Premium Bond. For purposes of determining the owner's gain or loss on the sale, redemption (including redemption at maturity), or other disposition of a Premium Bond, the owner's tax basis in the Premium Bond is reduced by the amount of bond premium that accrues during the period of ownership. As a result, an owner may realize taxable gain for federal income tax purposes from the sale or other disposition of a Premium Bond for an amount equal to or less than the amount paid by the owner for that Premium Bond.

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

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

From time to time, there are legislative proposals suggested, debated, introduced, or pending in Congress or in the State legislature that, if enacted into law, could alter or amend one or more of the federal tax matters, or state tax matters, respectively, described above including, without limitation, the

excludability from gross income of interest on the Series 2020 Bonds, or adversely affect the market price or marketability of the Series 2020 Bonds, or otherwise prevent the holders from realizing the full current benefit of the status of the interest thereon. It cannot be predicted whether or in what form any such proposal may be enacted, or whether, if enacted, any such proposal would affect the Series 2020 Bonds. Prospective purchasers of the Series 2020 Bonds should consult their tax advisors as to the impact of any proposed or pending legislation.

### **Information Reporting and Backup Withholding**

Interest paid on tax-exempt bonds such as the Series 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 Series 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 Series 2020 Bonds, under certain circumstances, to "backup withholding" at the rates set forth in the Code, with respect to payments on the Series 2020 Bonds and proceeds from the sale of Series 2020 Bonds. Any amount so withheld would be refunded or allowed as a credit against the federal income tax of such owner of Series 2020 Bonds. This withholding generally applies if the owner of Series 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 Series 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.

### **AGREEMENT BY THE STATE**

Under the Act, the State pledges to the holders of any bonds issued thereunder, including the Series 2020 Bonds, that it will not limit or alter the rights of the issuer of such bonds, including the District, to own, acquire, construct, reconstruct, improve, maintain, operate or furnish the projects, including the Series 2020 Project funded by the Series 2020 Bonds, or to levy and collect taxes, assessments, rentals, rates, fees and other charges provided for in the Act and to fulfill the terms of any agreement made with the holders of such bonds and that it will not in any way impair the rights or remedies of such holders.

### **LEGALITY FOR INVESTMENT**

The Act provides that bonds issued by community development districts 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 that may be deposited by banks or trust companies as security for deposits of state, county, municipal or other public funds, or by insurance companies as required or voluntary statutory deposits.

### **SUITABILITY FOR INVESTMENT**

In accordance with applicable provisions of Florida law, the Series 2020 Bonds may initially be sold by the District only to "accredited investors" within the meaning of Chapter 517, Florida Statutes, and the rules of the Florida Department of Financial Services promulgated thereunder. The limitation of the initial offering to accredited investors does not denote restrictions on transfer in any secondary market

for the Series 2020 Bonds. Investment in the Series 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, and, if given or made, such other information or representations must not be relied upon as having been authorized by either of the foregoing.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 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 Series 2020 Bonds may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 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 and enacted before or after such delivery.

### **FINANCIAL STATEMENTS**

This District will covenant in a Continuing Disclosure Agreement, the proposed form of which is set forth in APPENDIX E hereto, to provide its annual audited financial statements to certain information repositories as described in APPENDIX E, commencing with the audit for the District fiscal year ending September 30, 2020. Attached hereto as APPENDIX F is a copy of the District's unaudited monthly financial statements for the period ended \_\_\_\_\_, 2020. The District does not have audited financial statements because the District has only recently been established. As of the date hereof, the District does not have any significant assets or liabilities and the District has not previously issued any debt obligations. The Series 2020 Bonds are not general obligation bonds of the District and are payable solely from the Series 2020 Pledged Revenues.

Beginning October 1, 2015, or by the end of the first full fiscal year after its creation, each community development district in Florida must have a separate website with certain information as set forth in Section 189.069, F.S., including, without limitation, the district's proposed and final budgets and audit. Additional information regarding the District's website is available from the District Manager at the address set forth under "THE DISTRICT – The District Manager and Other Consultants."

### **LITIGATION**

#### **The District**

There is no litigation of any nature now pending or, to the knowledge of the District threatened, seeking to restrain or enjoin the issuance, sale, execution or delivery of the Series 2020 Bonds, or in any way contesting or affecting (i) the validity of the Series 2020 Bonds or any proceedings of the District taken with respect to the issuance or sale thereof, (ii) the pledge or application of any moneys or security provided for the payment of the Series 2020 Bonds, (iii) the existence or powers of the District or (iv) the validity of the Assessment Proceedings.

#### **The Landowner**

The Landowner has represented in connection with the Series 2020 Bond issuance that there is no litigation of any nature now pending or, to the knowledge of the Landowner, threatened, which could reasonably be expected to have a material and adverse effect upon the ability of the Landowner to

complete the development of the District Lands, as described herein, materially and adversely affect the ability of the Landowner to pay the Series 2020 Special Assessments imposed against the District Lands or materially and adversely affect the ability of the Landowner to perform its various obligations described in this Limited Offering Memorandum.

### **NO RATING**

No application for a rating of the Series 2020 Bonds has been made to any rating agency, nor is there any reason to believe that the District would have been successful in obtaining an investment grade rating for the Series 2020 Bonds had application been made.

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

Section 517.051, Florida Statutes, and the regulations promulgated thereunder requires that the District make a full and fair disclosure of any bonds or other debt obligations that it has issued or guaranteed and that are or have been in default as to principal or interest at any time after December 31, 1975 (including bonds or other debt obligations for which it has served only as a conduit issuer such as industrial development or private activity bonds issued on behalf of private business). The District is not and has never been in default on any bonds or other debt obligations since December 31, 1975.

### **CONTINUING DISCLOSURE**

The District and the Landowner will enter into the Continuing Disclosure Agreement (the "Disclosure Agreement") in the proposed form of APPENDIX E, for the benefit of the Series 2020 Bondholders (including owners of beneficial interests in such Series 2020 Bonds), to provide certain financial information and operating data relating to the District and the Development by certain dates prescribed in the Disclosure Agreement (the "Reports") with the MSRB through the MSRB's EMMA system. The specific nature of the information to be contained in the Reports is set forth in "APPENDIX E: PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT." Under certain circumstances, the failure of the District or the Landowner to comply with their respective obligations under the Disclosure Agreement constitutes an event of default thereunder. Such a default will not constitute an event of default under the Indenture, but such event of default under the Disclosure Agreement would allow the Series 2020 Bondholders (including owners of beneficial interests in such Series 2020 Bonds) to bring an action for specific performance.

The District has not previously issued any bonds and has not previously entered into any continuing disclosure obligations pursuant to Rule 15c2-12, promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"). The District fully anticipates satisfying all future disclosure obligations required pursuant to its Disclosure Agreement and the Rule. The District will appoint Governmental Management Services – Central Florida, LLC, as the dissemination agent in the Disclosure Agreement.

[The Landowner has not previously entered into any continuing disclosure obligations pursuant to the Rule.] The Landowner fully anticipates satisfying all disclosure obligations required pursuant to the Disclosure Agreement and the Rule.

### **UNDERWRITING**

FMSbonds, Inc. (the "Underwriter"), has agreed, pursuant to a contract with the District, subject to certain conditions, to purchase the Series 2020 Bonds from the District at a purchase price of \$\_\_\_\_\_ (par amount of the Series 2020 Bonds, [plus/less an original issue premium/discount

of \$ \_\_\_\_\_ and] less an Underwriter's discount of \$ \_\_\_\_\_). The Underwriter's obligations are subject to certain conditions precedent and the Underwriter will be obligated to purchase all of the Series 2020 Bonds if any Series 2020 Bonds are purchased.

The Series 2020 Bonds may be offered and sold to certain dealers, banks and others at prices lower than the initial offering prices, and such initial offering prices may be changed from time to time by the Underwriter.

### **CONTINGENT FEES**

The District has retained Bond Counsel, District Counsel, the District Engineer, the District Manager, the Methodology Consultant, the Underwriter (who has retained Underwriter's Counsel) and the Trustee (who has retained Trustee's Counsel), with respect to the authorization, sale, execution and delivery of the Series 2020 Bonds. Except for the payment of certain fees to District Counsel, the District Manager, the District Engineer and the Methodology Consultant, the payment of fees of the other professionals is each contingent upon the issuance of the Series 2020 Bonds.

### **EXPERTS**

Absolute Engineering, Inc., as District Engineer, has prepared the Engineer's Report included herein as APPENDIX A, which report should be read in its entirety. Governmental Management Services – Central Florida, LLC, as the Methodology Consultant, has prepared the Assessment Methodology included herein as APPENDIX D, which report should be read in its entirety. As a condition to closing on the Series 2020 Bonds, both the District Engineer and the Methodology Consultant will consent to the inclusion of their reports in this Limited Offering Memorandum.

### **VALIDATION**

Bonds issued pursuant to the terms of the Master Indenture have been validated by a judgment of the Circuit Court of the Tenth Judicial Circuit Court of Florida in and for Polk County, Florida, rendered on September 25, 2018. The period for appeal of the judgment of such bonds expired with no appeals having being taken.

### **LEGAL MATTERS**

Certain legal matters related to the authorization, sale and delivery of the Series 2020 Bonds are subject to the approval of Greenberg Traurig, P.A., Miami, Florida, Bond Counsel. Certain legal matters will be passed upon for the Underwriter by its counsel, GrayRobinson, P.A. Tampa, 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 Landowner by its counsel, Straughn & Turner, P.A., Winter Haven, Florida.

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



## **MISCELLANEOUS**

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

The references herein to the Series 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 is submitted in connection with the limited offering of the Series 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 contract with the purchaser or the Beneficial Owners of any of the Series 2020 Bonds.

[Remainder of page intentionally left blank.]

### **AUTHORIZATION AND APPROVAL**

The execution and delivery of this Limited Offering Memorandum has been duly authorized by the Board of Supervisors of North Powerline Road Community Development District.

### **NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT**

By: \_\_\_\_\_  
Chairperson, Board of Supervisors

## **APPENDIX A**

### **ENGINEER'S REPORT**

**APPENDIX B**

**PROPOSED FORMS OF MASTER INDENTURE AND  
FIRST SUPPLEMENTAL INDENTURE**

## **APPENDIX C**

### **PROPOSED FORM OF OPINION OF BOND COUNSEL**

## **APPENDIX D**

### **ASSESSMENT METHODOLOGY**

## **APPENDIX E**

### **PROPOSED FORM OF CONTINUING DISCLOSURE AGREEMENT**

**APPENDIX F**  
**DISTRICT'S FINANCIAL STATEMENTS**



**EXHIBIT D**

**FORM OF RULE 15c2-12 CERTIFICATE**

**North Powerline Road Community Development District**  
**\$ \_\_\_\_\_\* Special Assessment Bonds,**  
**Series 2020**

The undersigned hereby certifies and represents to FMSbonds, Inc. ("Underwriter") that he is the Chairperson of the Board of Supervisors of North Powerline Road Community Development District (the "District") is authorized to execute and deliver this Certificate, and further certifies on behalf of the District to the Underwriter as follows:

1. This Certificate is delivered to enable the Underwriter to comply with Rule 15c2-12 under the Securities Exchange Act of 1934 (the "Rule") in connection with the offering and sale of the above captioned bonds (the "Series 2020 Bonds").

2. In connection with the offering and sale of the Series 2020 Bonds, there has been prepared a Preliminary Limited Offering Memorandum, dated the date hereof, setting forth information concerning the Series 2020 Bonds and the District (the "Preliminary Limited Offering Memorandum").

3. As used herein, "Permitted Omissions" shall mean the offering price, interest rate, selling compensation, aggregate principal amount, principal amount per maturity, delivery dates, ratings, the identity of the Underwriter and other terms of the Series 2020 Bonds depending on such matters.

4. The undersigned hereby deems the Preliminary Limited Offering Memorandum "final" as of its date, within the meaning of the Rule, except for the Permitted Omissions, and the information therein is accurate and complete except for the Permitted Omissions.

5. If, at any time prior to the execution of a Bond Purchase Contract, any event occurs as a result of which the Preliminary Limited Offering Memorandum might include an untrue statement of a material fact or omit to state any material fact necessary to make the statements therein, in light of the circumstances under which they were made, not misleading, the District will promptly notify the Underwriter thereof.

**IN WITNESS WHEREOF**, the undersigned has hereunto set his hand this \_\_\_\_ day of \_\_\_\_\_, 2020.

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

\_\_\_\_\_  
Chairperson

\_\_\_\_\_  
\* Preliminary, subject to change.

**EXHIBIT E**

**FORM OF CONTINUING DISCLOSURE AGREEMENT**

## **CONTINUING DISCLOSURE AGREEMENT**

This Continuing Disclosure Agreement (this "Disclosure Agreement") dated as of \_\_\_\_\_, 2020 is executed and delivered by the North Powerline Road Community Development District (the "Issuer" or the "District"), [\_\_\_\_\_] a Florida limited liability company (the "Landowner"), and Governmental Management Services – Central Florida, LLC, a Florida limited liability company, as dissemination agent (the "Dissemination Agent") in connection with the Issuer's Special Assessment Bonds, Series 2020 (the "Bonds"). The Bonds are secured pursuant to a Master Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "Master Indenture") and a First Supplemental Trust Indenture dated as of \_\_\_\_\_ 1, 2020 (the "First Supplemental Indenture" and, together with the Master Indenture, the "Indenture"), each entered into by and between the Issuer and U.S. Bank National Association, a national banking association duly organized and existing under the laws of the United States of America and having a designated corporate trust office in Orlando, Florida as trustee (the "Trustee"). The Issuer, the Landowner and the Dissemination Agent covenant and agree as follows:

1. **Purpose of this Disclosure Agreement.** This Disclosure Agreement is being executed and delivered by the Issuer, the Landowner and the Dissemination Agent for the benefit of the Beneficial Owners (as defined herein) of the Bonds and to assist the Participating Underwriter (as defined herein) of the Bonds in complying with the Rule (as defined herein). The Issuer has no reason to believe that this Disclosure Agreement does not satisfy the requirements of the Rule and the execution and delivery of this Disclosure Agreement is intended to comply with the Rule. To the extent it is later determined by a court of competent jurisdiction, a governmental regulatory agency, or an attorney specializing in federal securities law, that the Rule requires the Issuer or other Obligated Person (as defined herein) to provide additional information, the Issuer and each Obligated Person 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 Issuer, the Trustee or any other person of any covenant, agreement or obligation under the Indenture (or remove any of the benefits thereof) nor shall anything herein prohibit the Issuer, the Trustee or any other person from making any reports, filings or notifications required by the Indenture or any applicable law.

2. **Definitions.** Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Indenture. The following capitalized terms as used in this Disclosure Agreement shall have the following meanings:

"Annual Filing Date" means the date set forth in Section 3(a) hereof by which the Annual Report is to be filed with each Repository.

"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 4(a) of this Disclosure Agreement.

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Agreement.

"Assessment Area" shall mean that portion of the District lands subject to Assessments.

"Assessments" shall mean the non-ad valorem Series 2020 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) of the Rule and specified in Section 4(a) of this Disclosure Agreement.

"Audited Financial Statements Filing Date" means the date set forth in Section 3(a) hereof by which the Audited Financial Statements are to be filed with each Repository if the same are not included as part of the Annual Report.

"Beneficial Owner" shall mean any person which, (a) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (b) is treated as the owner of any Bonds for federal income tax purposes.

"Business Day" means any day other than (a) a Saturday, Sunday or a day on which banks located in the city in which the designated corporate trust office of the Trustee 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 Issuer, the District Manager or its designee, or such other person as the Issuer shall designate in writing to the Dissemination Agent from time to time as the person responsible for providing information to the Dissemination Agent; and (ii) as to each entity comprising an Obligated Person (other than the Issuer), the individuals 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 the Issuer or an entity appointed by the Issuer to act in the capacity as Dissemination Agent hereunder, or any successor Dissemination Agent designated in writing by the Issuer pursuant to Section 8 hereof. [Dissemination Agent Name] has been designated as the initial Dissemination Agent hereunder.

"District Manager" shall mean [Dissemination Agent Name], and its successors and assigns.

"EMMA" means the Electronic Municipal Market Access system for municipal securities disclosures located at <http://emma.msrb.org/>.

"EMMA Compliant Format" shall mean a format for any document provided to the MSRB (as hereinafter defined) which is in an electronic format and is accompanied by identifying information, all as prescribed by the MSRB.

"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 that Limited Offering Memorandum dated \_\_\_\_\_, 2020, prepared in connection with the issuance of the Bonds.

"Listed Events" shall mean any of the events listed in Section 6(a) of this Disclosure Agreement.

"MSRB" means the Municipal Securities Rulemaking Board.

"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 Issuer, and for the purposes of this Disclosure Agreement, the Landowner and its affiliates for so long as such Landowner or its affiliates, successors or assigns (excluding residential homebuyers who are end users) are the owners of District Lands responsible for payment of at least 20% of the Assessments.

"Participating Underwriter" shall mean FMSbonds, Inc.

"Quarterly Filing Date" shall mean for the quarter ending: (i) March 31, each May 1; (ii) June 30, each August 1; (iii) September 30, each November 1; and (iv) December 31, each February 1 of the following year. The first Quarterly Filing Date shall be \_\_\_\_\_ 1, 2020.

"Quarterly Report" shall mean any Quarterly Report provided by any Obligated Person (other than the Issuer) pursuant to, and as described in, Section 5 of this Disclosure Agreement.

"Repository" shall mean each entity authorized and approved by the SEC (as hereinafter defined) 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. As used herein, "Repository" shall include the State Repository, if any.

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

"SEC" means the Securities and Exchange Commission.

"State" shall mean the State of Florida.

"State Repository" shall mean any public or private repository or entity designated by the State as a state repository for the purposes of the Rule.

### 3. **Provision of Annual Reports.**

(a) Subject to the following sentence, the Issuer shall provide the Annual Report to the Dissemination Agent no later than one hundred eighty (180) days after the close of the Issuer's Fiscal Year (the "Annual Filing Date"), commencing with the Annual Report for the Fiscal Year ending [September 30, 2020]. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 4 of this Disclosure Agreement; *provided that* the Audited Financial Statements of the Issuer may be submitted separately from the balance of the Annual Report, and may be submitted in accordance with State law, which currently requires such Audited Financial Statements to be provided up to, but no later than, nine (9) months after the close of the Issuer's Fiscal Year (the "Audited Financial Statements Filing Date"). The Issuer shall, or shall cause the Dissemination Agent to, provide to the Repository the components of an Annual Report which satisfies the requirements of Section 4(a) of this Disclosure Agreement within thirty (30) days after same becomes available, but in no event later than the Annual Filing Date or Audited Financial Statements Filing Date, if applicable. If the Issuer's Fiscal Year changes, the Issuer shall give notice of such change in the same manner as for a Listed Event under Section 6.

(b) If on the fifteenth (15<sup>th</sup>) day prior to each Annual Filing Date or the Audited Financial Statements Filing Date, as applicable, the Dissemination Agent has not received a copy of the Annual Report or Audited Financial Statements, as applicable, the Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be via email) to remind the Issuer of its undertaking to provide the Annual Report or Audited Financial Statements, as applicable, pursuant to Section 3(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Dissemination Agent with an electronic copy of the Annual Report or the Audited Financial Statements, as applicable, in accordance with Section 3(a) above, or (ii) advise the Dissemination Agent in writing that the Issuer will not be able to file the Annual Report or Audited Financial Statements, as applicable, within the times required under this Disclosure Agreement, state the date by which the Annual Report or the Audited Financial Statements for such year, as applicable, will be provided and instruct the Dissemination Agent that a Listed Event as described in Section 6(a)(xvii) has occurred and to immediately send a notice to the Repository in substantially the form attached hereto as Exhibit A.

(c) If the Dissemination Agent has not received an Annual Report by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Annual Filing Date for the Annual Report or the Audited Financial Statements by 12:00 noon on the first (1<sup>st</sup>) Business Day following the Audited Financial Statements Filing Date for the Audited Financial Statements, then a Listed Event as described in Section 6(a)(xvii) shall have occurred and the Dissemination Agent shall immediately send a notice to the Repository in substantially the form attached as Exhibit A.

(d) The Dissemination Agent shall:

(i) determine each year prior to the Annual Filing Date the name, address and filing requirements of the Repository; and

(ii) promptly upon fulfilling its obligations under subsection (a) above, file a notice with the Issuer stating that the Annual Report or Audited Financial Statement has been provided pursuant to this Disclosure Agreement, stating the date(s) it was provided and listing all Repositories with which it was filed.

(e) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Disclosure Agreement shall be provided in an EMMA Compliant Format.

#### **4. Content of Annual Reports.**

(a) Each Annual Report shall contain the following Annual Financial Information with respect to the Issuer:

(i) The amount of Assessments levied in the Assessment Area for the most recent prior Fiscal Year.

(ii) The amount of Assessments collected in the Assessment Area from the property owners during the most recent prior Fiscal Year.

(iii) If available, the amount of delinquencies in the Assessment Area greater than one hundred fifty (150) days, and, in the event that delinquencies amount to more than ten percent (10%) of the amounts of the Assessments due in any year, a list of delinquent property owners.

(iv) If available, the amount of tax certificates sold for lands within the Assessment Area, if any, and the balance, if any, remaining for sale from the most recent Fiscal Year.

(v) All fund balances in all Funds and Accounts for the Bonds.

(vi) The total amount of Bonds Outstanding.

(vii) The amount of principal and interest to be paid on the Bonds in the current Fiscal Year.

(viii) The most recent Audited Financial Statements of the Issuer.

(ix) In the event of any amendment or waiver of a provision of this Disclosure Agreement, a description of such amendment or waiver in the next Annual Report, and in each case shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or, in the case of a change in accounting principles, on the presentation) of financial information or operating data being presented by the Issuer. In addition, if the amendment relates to the accounting principles to be followed in preparing financial statements: (i) notice of such change shall be given in the same manner as for a Listed Event under Section 6(b); and (ii) the Annual Report for the year in which the change is made should present a comparison (in narrative form and also, if feasible, in quantitative form) between the financial statements as prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

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 (unless Audited Financial Statements are being delivered more than 180 days after the close of the Issuer's Fiscal Year pursuant to Section 3(a) hereof). Any or all of the items listed above may be incorporated by reference from other documents, including limited offering memorandums and official statements of debt issues of the Issuer or related public entities, which have been submitted to the MSRB or the SEC. If the document incorporated by reference is a final limited offering memorandum or official statement, it must be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

(b) The Issuer and each Obligated Person agree to 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 Issuer acknowledges and agrees that the information to be collected and disseminated by the Dissemination Agent will be provided by the Issuer, Obligated Persons and others. The Dissemination Agent's duties do not include authorship or production of any materials, and the Dissemination Agent shall have no responsibility hereunder for the content of the information provided to it by the Issuer, an Obligated Person or others as thereafter disseminated by the Dissemination Agent.

(c) 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.

## **5. Quarterly Reports.**

(a) Each Obligated Person (other than the Issuer) shall provide an electronic copy of the Quarterly Report to the Dissemination Agent no later than fifteen (15) days prior to the Quarterly Filing Date. Promptly upon receipt of an electronic copy of the Quarterly Report, but in any event no later than the applicable Quarterly Filing Date, the Dissemination Agent shall provide a Quarterly Report to the Repository.



(b) Each Quarterly Report shall contain an update of the following information to the extent available with respect to such Obligated Person:

(i) The number and type of lots in the Assessment Area subject to the Assessments.

(ii) The number and type of lots owned in the Assessment Area by the Obligated Person.

(iii) The number and type of lots platted in the Assessment Area.

(iv) The number and type of lots under contract with homebuilders in the Assessment Area, if any.

(v) The number and type of lots closed with homebuilders in the Assessment Area and the name of the homebuilder, if any.

(vi) The number and type of homes under contract with homebuyers in the Assessment Area.

(vii) The number and type of homes closed with homebuyers (delivered to end users) in the Assessment Area.

(viii) Any change to the number or type of lots planned to be developed in the Assessment Area by the Obligated Person.

(ix) Materially adverse changes or determinations to permits/approvals for the development of the Assessment Area which necessitate changes to the land use plans of any Obligated Person.

(x) The occurrence of any new or modified mortgage debt on the land owned by the Obligated Person in the Assessment Area, including the amount and interest rate.

(c) If an Obligated Person sells, assigns or otherwise transfers ownership of real property in an Assessment Area (a "Transferor Obligated Person") to a third party (a "Transferee"), which will in turn be an Obligated Person for purposes of this Disclosure Agreement as a result thereof (a "Transfer"), the Transferor Obligated Person hereby agrees to use its best efforts to contractually obligate such Transferee to agree to comply with the disclosure obligations of an Obligated Person hereunder for so long as such Transferee is an Obligated Person hereunder, to the same extent as if such Transferee were a party to this Disclosure Agreement (an "Assignment"). The Transferor Obligated Person shall notify the District and the Dissemination Agent in writing of any Transfer within five (5) Business Days of the occurrence thereof. Nothing herein shall be construed to relieve the Landowner from [its/their respective] obligations hereunder except to the extent a written Assignment from a Transferee is obtained and delivered to the Dissemination Agent and then only to the extent of such Assignment.

6. **Reporting of Listed Events.**

(a) This Section 6 shall govern the giving of notices of the occurrence of any of the following Listed Events:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on the Series 2020 Reserve Account reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;\*
- (v) Substitution of credit or liquidity providers, or their failure to perform;\*
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of 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) Rating changes;\*
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer or any Obligated Person (which is considered to occur when any of the following occur: the appointment of a receiver, fiscal agent or similar officer for the Issuer or any 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 Issuer or any 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 Issuer or any Obligated Person);

---

\* Not applicable to the Bonds at their date of issuance.

(xiii) Consummation of a merger, consolidation, or acquisition involving the Issuer or any Obligated Person or the sale of all or substantially all of the assets of the Issuer or any Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material;

(xiv) Appointment of a successor or additional Trustee or the change of name of the Trustee, if material;

(xv) 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;

(xvi) 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;

(xvii) Failure to provide (A) any Annual Report or Audited Financial Statements as required under this Disclosure Agreement that contains, in all material respects, the information required to be included therein under Section 4(a) of this Disclosure Agreement, or (B) any Quarterly Report that contains, in all material respects, the information required to be included therein under Section 5(b) of this Disclosure Agreement, which failure shall, in all cases, be deemed material under federal securities laws; and

(xviii) Any amendment to the accounting principles to be followed in preparing financial statements as required pursuant to Section 4(a)(ix) hereof.

(b) The Issuer shall give, or cause to be given, notice of the occurrence of any of the above subsection (a) Listed Events to the Dissemination Agent in writing in sufficient time in order to allow the Dissemination Agent to file notice of the occurrence of such Listed Event in a timely manner not in excess of ten (10) Business Days after its occurrence, with the exception of the Listed Event described in Section 6(a)(xvii) and (xviii), which notice will be given in a timely manner. Such notice shall instruct the Dissemination Agent to report the occurrence pursuant to subsection (d) below. Such notice by the Issuer to the Dissemination Agent shall identify the Listed Event that has occurred, include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is in compliance within the filing dates provided within this Section 6(b)).

(c) Notwithstanding anything contained in Section 6(b) above, each Obligated Person other than the Issuer shall notify the Issuer and the Dissemination Agent of the occurrence of a Listed Event described in subsections (a)(x), (xii), (xiii), (xv) or (xvi) that has occurred with respect to such Obligated Person in compliance with the notification and filing requirements provided in Section 6(b).

(d) If the Dissemination Agent has been instructed by the Issuer to report the occurrence of a Listed Event, the Dissemination Agent shall immediately file a notice of such occurrence with each Repository.

(e) [The Landowner hereby represents and warrants that it has not previously entered into any continuing disclosure agreement in connection with a prior offering of securities in order to enable an underwriter of said securities to comply with the provisions of the Rule.]

7. **Termination of Disclosure Agreement.** This Disclosure Agreement shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

8. **Dissemination Agent.** Upon termination of the Dissemination Agent's services as Dissemination Agent, whether by notice of the Issuer or the Dissemination Agent, the Issuer agrees to appoint a successor Dissemination Agent or, alternatively, agrees to assume all responsibilities of Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Bonds. If at any time there is not any other designated Dissemination Agent, the District shall be deemed to be the Dissemination Agent. The initial Dissemination Agent shall be Governmental Management Services – Central Florida, LLC. The acceptance of such designation is evidenced by the execution of this Disclosure Agreement by a duly authorized signatory of Governmental Management Services – Central Florida, LLC. The Dissemination Agent may terminate its role as Dissemination Agent at any time upon delivery of thirty (30) days prior written notice to the District and each Obligated Person.

9. **Amendment; Waiver.** Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Dissemination Agent may amend this Disclosure Agreement, and any provision of this Disclosure Agreement may be waived, if such amendment or waiver is supported by an opinion of counsel expert in federal securities laws, acceptable to the Issuer, to the effect that such amendment or waiver would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule.

Notwithstanding the above provisions of this Section 9, no amendment to the provisions of Section 5(b) hereof may be made without the consent of the each Obligated Person, if any.

10. **Additional Information.** Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer 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 Listed Event, in addition to that which is required by this Disclosure Agreement. If the Issuer 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 this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

11. **Default.** In the event of a failure of the Issuer, the Disclosure Representative, any Obligated Person or the Dissemination Agent to comply with any provision of this Disclosure Agreement, the Trustee may (and, at the request of any Participating Underwriter or the

Beneficial Owners of at least twenty-five percent (25%) 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 Disclosure Representative, any Obligated Person or a Dissemination Agent, as the case may be, to comply with its obligations under this Disclosure Agreement. A default under this Disclosure Agreement by any Obligated Person shall not be deemed a default by the Issuer hereunder and 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 Disclosure Representative, any Obligated Person, or a Dissemination Agent, to comply with this Disclosure Agreement shall be an action to compel performance.

12. **Duties of Dissemination Agent.** The Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement between the District, the Landowner and such Dissemination Agent. The Dissemination Agent shall have no obligation to notify any other party hereto of an event that may constitute a Listed Event. The District, each Obligated Person and the Disclosure Representative covenant 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, the Landowner and the Disclosure Representative acknowledge and agree that the information to be collected and disseminated by the Dissemination Agent will be provided by the District, Obligated Person(s), the Disclosure Representative 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, any Obligated Person or the Disclosure Representative as thereafter disseminated by the Dissemination Agent. Any filings under this Disclosure Agreement made to the MSRB through EMMA shall be in an EMMA compliant format.

13. **Beneficiaries.** This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Landowner, the Dissemination Agent, the Trustee, the Participating Underwriter and the Owners of the Bonds (the Dissemination Agent, the Trustee, Participating Underwriter and Owners of the Bonds being hereby deemed express third party beneficiaries of this Disclosure Agreement), and shall create no rights in any other person or entity.

14. **Tax Roll and Budget.** Upon the request of the Dissemination Agent, the Trustee or any Bondholder, the Issuer, through its District Manager, if applicable, agrees to provide such party with a certified copy of its most recent tax roll provided to the Polk County Tax Collector and the Issuer's most recent adopted budget.

15. **Governing Law.** The laws of the State of Florida and Federal law shall govern this Disclosure Agreement and venue shall be any state or federal court having jurisdiction in Polk County, Florida.

16. **Counterparts.** This Disclosure Agreement may be executed in several counterparts and by PDF signature and all of which shall constitute but one and the same instrument.

17. **Trustee Cooperation.** The Issuer represents that the Dissemination Agent is a bona fide agent of the Issuer and the Issuer instructs the Trustee to deliver to the Dissemination Agent at the expense of the Issuer, any information or reports readily available to and in the possession of the Trustee that the Dissemination Agent requests in writing.

18. **Binding Effect.** This Disclosure Agreement shall be binding upon each party to this Disclosure Agreement and upon each successor and assignee of each party to this Disclosure Agreement and shall inure to the benefit of, and be enforceable by, each party to this Disclosure Agreement and each successor and assignee of each party to this Disclosure Agreement. Notwithstanding the foregoing, as to the Landowner or any assignee or successor thereto that becomes an Obligated Person pursuant to the terms of this Disclosure Agreement, only successor or assignees to such parties who are, by definition, Obligated Persons, shall be bound or benefited by this Disclosure Agreement.

[Signature Page Follows]

**IN WITNESS WHEREOF**, the undersigned has executed this Disclosure Agreement as of the date and year set forth above.

**NORTH POWERLINE ROAD COMMUNITY  
DEVELOPMENT DISTRICT, AS ISSUER**

[SEAL]

By: \_\_\_\_\_  
\_\_\_\_\_, Chairperson  
Board of Supervisors

ATTEST:

By: \_\_\_\_\_  
\_\_\_\_\_, Secretary

[\_\_\_\_\_] , AS LANDOWNER

By: \_\_\_\_\_  
\_\_\_\_\_, Manager

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA, LLC, and  
its successors and assigns, AS DISSEMINATION  
AGENT**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

**CONSENTED TO AND AGREED TO BY:**

**DISTRICT MANAGER**

**GOVERNMENTAL MANAGEMENT  
SERVICES – CENTRAL FLORIDA,  
LLC, AS DISTRICT MANAGER**

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Acknowledged and agreed to for purposes of  
Sections 11, 13 and 17 only:

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

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_



**EXHIBIT A**

**FORM OF NOTICE TO REPOSITORIES OF FAILURE  
TO FILE [ANNUAL REPORT]  
[AUDITED FINANCIAL STATEMENTS][QUARTERLY REPORT]**

Name of Issuer: North Powerline Road Community Development District

Name of Bond Issue: \$\_\_\_\_\_ original aggregate principal amount of North Powerline Road Community Development District Special Assessment Bonds, Series 2020

Obligated Person(s): North Powerline Road Community Development District;  
\_\_\_\_\_.

Original Date of Issuance: \_\_\_\_\_, 2020

CUSIP Numbers: \_\_\_\_\_

NOTICE IS HEREBY GIVEN that the [Issuer][Obligated Person] has not provided an [Annual Report] [Audited Financial Statements] [Quarterly Report] with respect to the above-named Bonds as required by [Section 3] [Section 5] of the Continuing Disclosure Agreement dated \_\_\_\_\_, 2020, by and between the Issuer, the Landowner and the Dissemination Agent named therein. The [Issuer][Obligated Person] has advised the undersigned that it anticipates that the [Annual Report] [Audited Financial Statements] [Quarterly Report] will be filed by \_\_\_\_\_, 20\_\_\_\_.

Dated: \_\_\_\_\_

\_\_\_\_\_, as Dissemination Agent

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

cc: Issuer  
Trustee

## SECTION V

## **RESOLUTION 2020-03**

### **A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT DIRECTING THE CHAIRPERSON AND DISTRICT STAFF TO FILE A PETITION WITH POLK COUNTY, FLORIDA, REQUESTING THE ADOPTION OF AN ORDINANCE AMENDING THE DISTRICT'S BOUNDARIES, AND AUTHORIZING SUCH OTHER ACTIONS AS ARE NECESSARY IN FURTHERANCE OF THE BOUNDARY AMENDMENT PROCESS; AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the North Powerline Road Community Development District (the "District") is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes* ("Act"), as established by Ordinance No. 18-036 ("Ordinance"), adopted by the Board of County Commissioners of Polk County, Florida ("County") on June 5, 2018, and being situated in the City of Davenport and Polk County, Florida; and

**WHEREAS**, pursuant to the Act, the District is authorized to construct, acquire, and maintain infrastructure improvements and services; and

**WHEREAS**, the District presently consists of approximately 190.56 acres of land, more or less, as more fully described in the Ordinance; and

**WHEREAS**, the primary developer of the lands within the District ("Developer"), has approached the District and requested the District petition to amend its boundaries to add approximately 5.39 acres of land, more or less, as more particularly described in the attached **Exhibit A** ("Property"); and

**WHEREAS**, the proposed boundary amendment is in the best interests of the District and the area of land within the proposed amended boundaries of the District will continue to be of sufficient size, sufficiently compact, and sufficiently contiguous to be developable as one functionally related community; and

**WHEREAS**, for the area of land that will lie in the amended boundaries of the District, the District is the best alternative available for delivering community development services and facilities; and

**WHEREAS**, addition of the Property in **Exhibit A** to the District is not inconsistent with either the State or local comprehensive plans; and

**WHEREAS**, the area of land that will lie in the amended boundaries of the District continues to be amenable to separate special district government; and

**WHEREAS**, in order to seek a boundary amendment pursuant to Chapter 190, *Florida Statutes*, the District desires to authorize District staff, including but not limited to legal, engineering, and managerial staff, to provide such services as are necessary throughout the pendency of the boundary amendment process; and

**WHEREAS**, the retention of any necessary consultants and the work to be performed by District staff may require the expenditure of certain fees, costs, and other expenses by the District as authorized by the District's Board of Supervisors ("Board"); and

**WHEREAS**, the District desires to petition to amend its boundaries in accordance with the procedures and processes described in Chapter 190, *Florida Statutes*, which processes include the preparation of a petition to the County, and such other actions as are necessary in furtherance of the boundary amendment process.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The recitals stated above are true and correct and by this reference are incorporated into and form a material part of this Resolution.

**SECTION 2.** The Board hereby directs the Chairperson and District staff to proceed in an expeditious manner with the preparation and filing of a petition and related materials with the County, to seek the amendment of the District's boundaries to add the lands depicted in **Exhibit A**, pursuant to Chapter 190, *Florida Statutes*, and authorizes the prosecution of the procedural requirements detailed in Chapter 190, *Florida Statutes*, for the amendment of the District's boundaries.

**SECTION 3.** The Board hereby authorizes the District Chairperson, District Manager and District Counsel to act as agents of the District with regard to any and all matters pertaining to the petition to the County to amend the boundaries of the District.

**SECTION 4.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED** this 5<sup>th</sup> day of February, 2020.

ATTEST:

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

---

Secretary/Assistant Secretary

---

Chairperson, Board of Supervisors

## **EXHIBIT A**

Parcel ID Nos.: 27-26-34-000000-024120

## SECTION VI

## RESOLUTION 2020-04

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT AMENDING AND SUPPLEMENTING RESOLUTIONS 2018-23 AND 2018-32; ADOPTING AN AMENDED AND RESTATED MASTER ASSESSMENT METHODOLOGY REPORT; ADOPTING A SECOND AMENDED AND RESTATED ENGINEER'S REPORT; DECLARING SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THOSE INFRASTRUCTURE IMPROVEMENTS WHOSE COST IS TO BE DEFRAYED BY THE SPECIAL ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH SPECIAL ASSESSMENTS SHALL BE MADE; PROVIDING WHEN SUCH SPECIAL ASSESSMENTS SHALL BE PAID; DESIGNATING LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT; ADOPTING A PRELIMINARY ASSESSMENT ROLL; PROVIDING FOR PUBLICATION OF THIS RESOLUTION.**

WHEREAS, the Board of Supervisors (the "Board") of the North Powerline Road Community Development District (the "District") previously determined to undertake the construction and maintenance of certain infrastructure improvements, (the "Improvements") and evidenced its intent to defray the cost of such Improvements through the levy and collection of assessments against property within the District benefitted by the Improvements pursuant to Resolutions 2018-23, 2018-24, and 2018-32 (the "Assessment Resolutions"); and

WHEREAS, the District Engineer has revised the estimated costs of the Improvements and modified the development plan to incorporate additional Improvements to serve the existing District lands and lands proposed to be annexed into the District, (the "Annexed Parcel"); and

WHEREAS, the District Engineer has presented a *Second Amended and Restated Engineer's Report* dated \_\_\_\_\_, 2020, attached hereto as **Exhibit A** and incorporated herein by reference ("Amended Master Engineer's Report"), that details the scope and costs of Improvements necessary to serve the lands currently located within the District as well as the Annexed Parcel; and

WHEREAS, because of the increase in the estimated costs of the Improvements to the lands currently included in the District, the District desires to amend the provisions of the Assessment Resolutions to reflect an increased assessment lien amount for the lands currently located within the District as well as to identify the costs of improvements proposed for the Annexed Parcel; and

WHEREAS, upon annexation of the Annexed Parcel into the external boundaries of the District, the District will, by separate resolutions declare, levy, and impose special assessments upon the Annexed Parcel to provide its proportionate share of the costs of the Improvements; and

**WHEREAS**, the District hereby determines to undertake, install, plan, establish, construct or reconstruct, enlarge or extend, equip, acquire, operate, and/or maintain the infrastructure Improvements described in the District’s Amended Master Engineer’s Report; and

**WHEREAS**, it is in the best interest of the District to pay the cost of the Improvements by special assessments pursuant to Chapter 190, *Florida Statutes* (the “Special Assessments”); and

**WHEREAS**, the District is empowered by Chapter 190, the Uniform Community Development District Act, Chapter 170, Supplemental and Alternative Method of Making Local Municipal Improvements, and Chapter 197, the Uniform Method for the Levy, Collection, and Enforcement of Non-Ad Valorem Assessments, *Florida Statutes*, to finance, fund, plan, establish, acquire, construct or reconstruct, enlarge or extend, equip, operate, and maintain the Improvements and to impose, levy and collect the Special Assessments; and

**WHEREAS**, the District hereby determines that benefits will accrue to the property improved, the amount of those benefits, and that Special Assessments will be made in proportion to the benefits received as set forth in the *Amended and Restated Master Assessment Methodology Report* dated \_\_\_\_\_, 2020 (“Amended Master Assessment Report”), attached hereto as **Exhibit B** and incorporated herein by reference, and on file at the office of the District Manager, c/o Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801 (the “District Records Office”); and

**WHEREAS**, the District hereby determines that the Special Assessments to be levied will not exceed the benefit to the property improved as set forth in the Amended Master Assessment Report.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT:**

1. Special Assessments shall be levied to defray a portion of the cost of the Improvements as specified in the Amended Master Assessment Report.

2. The nature and general location of, and plans and specifications for, the Improvements are described in **Exhibit A**, which is on file at the District Records Office. **Exhibit B** is also on file and available for public inspection at the same location.

3. The total estimated cost of the Improvements without Annexed Parcel is \$\_\_\_\_\_ (the “Estimated Cost”).

4. The Special Assessments will defray approximately \$\_\_\_\_\_, which includes the Estimated Cost, plus financing-related costs, capitalized interest and a debt service reserve.

5. The manner in which the Special Assessments shall be apportioned and paid is set forth in **Exhibit B**, including provisions for supplemental assessment resolutions.



6. The Special Assessments shall be levied, within the District, on all lots and lands adjoining and contiguous or bounding and abutting upon the Improvements or specially benefitted thereby and further designated by the assessment plat hereinafter provided for.

7. There is on file, at the District Records Office, an assessment plat showing the area to be assessed, with certain plans and specifications describing the Improvements and the estimated costs of the Improvements, all of which shall be open to inspection by the public.

8. Commencing with the year in which the Special Assessments are levied and confirmed, the Special Assessments shall be paid in not more than (30) thirty annual installments. The Special Assessments may be payable at the same time and in the same manner as are ad-valorem taxes and collected pursuant to Chapter 197, *Florida Statutes*; provided, however, that in the event the uniform non-ad valorem assessment method of collecting the Special Assessments is not available to the District in any year, or if determined by the District to be in its best interest, the Special Assessments may be collected as is otherwise permitted by law.

9. The District Manager has caused to be made a preliminary assessment roll, in accordance with the method of assessment described in **Exhibit B** hereto, which shows the lots and lands assessed, the amount of benefit to and the assessment against each lot or parcel of land and the number of annual installments into which the assessment may be divided, which assessment roll is hereby adopted and approved as the District's preliminary assessment roll.

10. The Board shall adopt a subsequent resolution to fix a time and place at which the owners of property to be assessed or any other persons interested therein may appear before the Board and be heard as to the propriety and advisability of the assessments or the making of the Improvements, the costs thereof, the manner of payment therefore, or the amount thereof to be assessed against each property as improved.

11. The District Manager is hereby directed to cause this Resolution to be published twice (once a week for two (2) consecutive weeks) in a newspaper of general circulation within Polk County and to provide such other notice as may be required by law or desired in the best interests of the District.

12. This Resolution is intended to amend and supplement the Assessment Resolutions relating to the District's levy of special assessments on certain lands within the boundaries of the District benefitting from the Improvements. As such, all such prior resolutions, including but not limited to the Assessment Resolutions, remain in full force and effect, except to the extent provided for herein.

13. This Resolution shall become effective upon its passage.

14. The invalidity or enforceability of any one or more provisions of this Resolution shall not affect the validity or enforceability of the remaining portions of this Resolution, or any part thereof.

**PASSED AND ADOPTED** this 5<sup>th</sup> of February, 2020.

ATTEST:

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

---

Secretary/Assistant Secretary

---

Chairperson, Board of Supervisors

**Exhibit A:** *Second Amended and Restated Engineer's Report* dated \_\_\_\_\_, 2020

**Exhibit B:** *Amended and Restated Master Assessment Methodology Report* dated  
\_\_\_\_\_, 2020

## SECTION VII

## **RESOLUTION 2020-05**

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT SETTING A PUBLIC HEARING TO BE HELD ON \_\_\_\_\_, 2020, AT \_\_:\_\_ A/P.M., AT THE OFFICES OF CASSIDY HOMES, 346 EAST CENTRAL AVENUE, WINTER HAVEN, FLORIDA 33880, FOR THE PURPOSE OF HEARING PUBLIC COMMENT ON THE INTENT TO AMEND AND SUPPLEMENT RESOLUTIONS 2018-23 AND 2018-32; ADOPT AN AMENDED AND RESTATED MASTER ASSESSMENT METHODOLOGY REPORT; ADOPT A SECOND AMENDED AND RESTATED ENGINEER'S REPORT; AND IMPOSING SPECIAL ASSESSMENTS ON CERTAIN LANDS WITHIN THE DISTRICT IN ACCORDANCE WITH CHAPTERS 170, 190, AND 197, FLORIDA STATUTES.**

WHEREAS, the Board of Supervisors of the North Powerline Road Community Development District ("Board") previously adopted Resolution 2020-04, entitled:

**A RESOLUTION OF THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT AMENDING AND SUPPLEMENTING RESOLUTIONS 2018-23 AND 2018-32; ADOPTING AN AMENDED AND RESTATED MASTER ASSESSMENT METHODOLOGY REPORT; ADOPTING A SECOND AMENDED AND RESTATED ENGINEER'S REPORT; DECLARING SPECIAL ASSESSMENTS; INDICATING THE LOCATION, NATURE AND ESTIMATED COST OF THOSE INFRASTRUCTURE IMPROVEMENTS WHOSE COST IS TO BE DEFRAID BY THE SPECIAL ASSESSMENTS; PROVIDING THE MANNER IN WHICH SUCH SPECIAL ASSESSMENTS SHALL BE MADE; PROVIDING WHEN SUCH SPECIAL ASSESSMENTS SHALL BE PAID; DESIGNATING LANDS UPON WHICH THE SPECIAL ASSESSMENTS SHALL BE LEVIED; PROVIDING FOR AN ASSESSMENT PLAT; ADOPTING A PRELIMINARY ASSESSMENT ROLL; PROVIDING FOR PUBLICATION OF THIS RESOLUTION.**

WHEREAS, in accordance with Resolution 2020-04, a preliminary assessment roll has been prepared and all other conditions precedent set forth in Chapters 170, 190, and 197, *Florida Statutes*, to the holding of the aforementioned public hearing have been satisfied, and the roll and related documents are available for public inspection at the offices of Governmental Management Services – Central Florida, LLC, 219 East Livingston Street, Orlando, Florida 32801 ("District Records Office") and at the Offices

of Cassidy Homes, 346 East Central Avenue, Winter Haven, Florida 33880 (“Local District Records Office”).

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** There is hereby declared a public hearing to be held at \_\_\_ : \_\_ a/p.m.,  
on \_\_\_\_\_, 2020, at the Offices of Cassidy Homes, 346 East Central Avenue,  
Winter Haven, Florida 33880, for the purpose of hearing comment and objections to the  
proposed special assessment program for community improvements as identified in the  
preliminary assessment roll, a copy of which is on file. Affected parties may appear at  
that hearing or submit their comments in writing prior to the meeting to the office of the  
District Manager, Governmental Management Services – Central Florida, LLC, 219 East  
Livingston Street, Orlando, Florida 32801.

**SECTION 2.** Notice of said hearing shall be advertised in accordance with Chapters 170, 190 and 197, *Florida Statutes*, and the District Manager is hereby authorized and directed to place said notice in a newspaper(s) of general circulation within Polk County, Florida (by two publications one week apart with the first publication at least twenty (20) days prior to the date of the hearing established herein). The District Manager shall file a publisher's affidavit with the District Secretary verifying such publication of notice. The District Manager is further authorized and directed to give thirty (30) days' written notice by mail of the time and place of this hearing to the owners of all property to be assessed and include in such notice the amount of the assessment for each such property owner, a description of the areas to be improved and notice that information concerning all assessments may be ascertained at the District Office. The District Manager shall file proof of such mailing by affidavit with the District Secretary.

**SECTION 3.** This Resolution shall become effective upon its passage.

**PASSED AND ADOPTED** this 5<sup>th</sup> of February, 2020.

ATTEST:

# NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT

Secretary/Assistant Secretary

Chairperson, Board of Supervisors

## SECTION VIII

**RESOLUTION 2020-06**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT RE-DESIGNATING THE PRIMARY ADMINISTRATIVE OFFICE AND PRINCIPAL HEADQUARTERS OF THE DISTRICT AND PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the North Powerline Road Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Polk County, Florida; and

**WHEREAS**, the District desires to re-designate its primary administrative office as the location where the District’s public records are routinely created, sent, received, maintained, and requested, for the purposes of prominently posting the contact information of the District’s Record’s Custodian in order to provide citizens with the ability to access the District’s records and ensure that the public is informed of the activities of the District in accordance with Chapter 119, *Florida Statutes*; and

**WHEREAS**, the District additionally desires to specify the location of the District’s principal headquarters for the purpose of establishing proper venue under the common law home venue privilege applicable to the District.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF SUPERVISORS OF THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The District’s primary administrative office for purposes of Chapter 119, *Florida Statutes*, shall be located at Governmental Management Services – Central Florida, LLC, 219 E. Livingston Street, Orlando, Florida 32801.

**SECTION 2.** The District’s principal headquarters for purposes of establishing proper venue shall be located at 346 E. Central Avenue, Winter Haven, FL 33880, within Polk County, Florida.

**SECTION 3.** This Resolution shall take effect immediately upon adoption.

**PASSED AND ADOPTED** this 5<sup>th</sup> day of February 2020.

ATTEST:

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

---

Secretary/Assistant Secretary

---

Chairperson, Board of Supervisors

## SECTION IX



**RESOLUTION 2020-07**

**A RESOLUTION BY THE BOARD OF SUPERVISORS OF THE  
NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT  
DISTRICT ADOPTING AN INTERNAL CONTROLS POLICY  
CONSISTENT WITH SECTION 218.33, FLORIDA STATUTES;  
PROVIDING AN EFFECTIVE DATE.**

**WHEREAS**, the North Powerline Road Community Development District (the “District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes*, being situated entirely within Polk County, Florida; and

**WHEREAS**, consistent with Section 218.33, *Florida Statutes*, the District is statutorily required to establish and maintain internal controls designed to prevent and detect fraud, waste, and abuse as defined in Section 11.45(1), *Florida Statutes*; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets; and

**WHEREAS**, to demonstrate compliance with Section 218.33, *Florida Statutes*, the District desires to adopt by resolution the Internal Controls Policy attached hereto as **Exhibit A**.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF  
SUPERVISORS OF THE NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT:**

**SECTION 1.** The attached Internal Controls Policy attached hereto as **Exhibit A** is hereby adopted pursuant to this Resolution.

**SECTION 2.** If any provision of this Resolution is held to be illegal or invalid, the other provisions shall remain in full force and effect.

**SECTION 3.** This Resolution shall become effective upon its passage and shall remain in effect unless rescinded or repealed.

**PASSED AND ADOPTED THIS 5<sup>TH</sup> DAY OF FEBRUARY, 2020.**

**ATTEST:**

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT DISTRICT**

---

Secretary/Assistant Secretary

---

Chairperson, Board of Supervisors

## **EXHIBIT “A”**

### **NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT INTERNAL CONTROLS POLICY**

#### **1. Purpose.**

- 1.1. The purpose of this internal controls policy is to establish and maintain internal controls for the North Powerline Road Community Development District.
- 1.2. Consistent with Section 218.33(3), *Florida Statutes*, the internal controls adopted herein are designed to:
  - 1.2.1. Prevent and detect Fraud, Waste, and Abuse (as hereinafter defined).
  - 1.2.2. Promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.
  - 1.2.3. Support economical and efficient operations.
  - 1.2.4. Ensure reliability of financial records and reports.
  - 1.2.5. Safeguard Assets (as hereinafter defined).

#### **2. Definitions.**

- 2.1. “Abuse” means behavior that is deficient or improper when compared with behavior that a prudent person would consider a reasonable and necessary operational practice given the facts and circumstances. The term includes the misuse of authority or position for personal gain.
- 2.2. “Assets” means District assets such as cash or other financial resources, supplies, inventories, equipment and other fixed assets, real property, intellectual property, or data.
- 2.3. “Auditor” means the independent auditor (and its employees) retained by the District to perform the annual audit required by state law.
- 2.4. “Board” means the Board of Supervisors for the District.
- 2.5. “District Management” means (i) the independent contractor (and its employees) retained by the District to provide professional district management services to the District and (ii) any other independent contractor (and its employees) separately retained by the District to provide amenity management services, provided said services include a responsibility to safeguard and protect Assets.

- 2.6. “Fraud” means obtaining something of value through willful misrepresentation, including, but not limited to, intentional misstatements or intentional omissions of amounts or disclosures in financial statements to deceive users of financial statements, theft of an entity’s assets, bribery, or the use of one’s position for personal enrichment through the deliberate misuse or misapplication of an organization’s resources.
- 2.7. “Internal Controls” means systems and procedures designed to prevent and detect fraud, waste, and abuse; promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices; support economical and efficient operations; ensure reliability of financial records and reports; and safeguard assets.
- 2.8. “Risk” means anything that could negatively impact the District’s ability to meet its goals and objectives. The term includes strategic, financial, regulatory, reputational, and operational risks.
- 2.9. “Waste” means the act of using or expending resources unreasonably, carelessly, extravagantly, or for no useful purpose.

### **3. Control Environment.**

#### **3.1. Ethical and Honest Behavior.**

- 3.1.1. District Management is responsible for maintaining a work environment that promotes ethical and honest behavior on the part of all employees, contractors, vendors and others.
- 3.1.2. Managers at all levels must behave ethically and communicate to employees and others that they are expected to behave ethically.
- 3.1.3. Managers must demonstrate through words and actions that unethical behavior will not be tolerated.

### **4. Risk Assessment.**

- 4.1. Risk Assessment. District Management is responsible for assessing Risk to the District. District Management’s Risk assessments shall include, but not be limited to:
  - 4.1.1. Identifying potential hazards.
  - 4.1.2. Evaluating the likelihood and extent of harm.
  - 4.1.3. Identifying cost-justified precautions and implementing those precautions.

## 5. Control Activities.

5.1. Minimum Internal Controls. The District hereby establishes the following minimum Internal Controls to prevent and detect Fraud, Waste, and Abuse:

5.1.1. Preventive controls designed to forestall errors or irregularities and thereby avoid the cost of corrections. Preventive control activities shall include, but not be limited to, the following:

5.1.1.1. Identifying and segregating incompatible duties and/or implementing mitigating controls.

5.1.1.2. Performing accounting functions in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.1.3. Requiring proper authorizations to access and/or modify accounting software.

5.1.1.4. Implementing computerized accounting techniques (e.g. to help identify coding errors, avoid duplicate invoices, etc.).

5.1.1.5. Maintaining a schedule of the District's material fixed Assets.

5.1.1.6. Maintaining physical control over the District's material and vulnerable Assets (e.g. lock and key, computer passwords, network firewalls, etc.).

5.1.1.7. Retaining and restricting access to sensitive documents.

5.1.1.8. Performing regular electronic data backups.

5.1.2. Detective controls designed to measure the effectiveness of preventive controls and to detect errors or irregularities when they occur. Detective control activities shall include, but not be limited to, the following:

5.1.2.1. Preparing financial reports in accordance with Generally Accepted Accounting Principles (GAAP) and Governmental Accounting Standards Board (GASB) standards.

5.1.2.2. Reviewing financial statements and investigating any material variances between budgeted expenses and actual expenses.

5.1.2.3. Establishing and implementing periodic reconciliations of bank, trust, and petty cash accounts.

5.1.2.4. Establishing an internal protocol for reporting and investigating known or suspected acts of Fraud, Waste, or Abuse.

5.1.2.5. Engaging in periodic physical inventory counts and comparisons with inventory records.

5.1.2.6. Monitoring all ACH (electronic) transactions and the sequencing of checks.

5.2. Implementation. District Management shall implement the minimum Internal Controls described herein. District Management may also implement additional Internal Controls that it deems advisable or appropriate for the District. The specific ways District Management implements these minimum Internal Controls shall be consistent with Generally Accepted Accounting Principles (GAAP) and otherwise conform to Governmental Accounting Standards Board (GASB) and American Institute of Certified Public Accountants (AICPA) standards and norms.

## **6. Information and Communication.**

6.1. Information and Communication. District Management shall communicate to its employees (needing to know) information relevant to the Internal Controls, including but not limited to any changes to the Internal Controls and/or changes to laws, rules, contracts, grant agreements, and best practices.

6.2. Training. District Management shall regularly train its employees (needing the training) in connection with the Internal Controls described herein and promote and encourage compliance with applicable laws, rules, contracts, grant agreements, and best practices.

## **7. Monitoring Activities.**

7.1. Internal Reviews. District Management shall internally review the District's Internal Controls at least once per year. In connection with this internal review, District Management shall:

7.1.1.1. Review its operational processes.

7.1.1.2. Consider the potential risk of Fraud, Waste, or Abuse inherent in each process.

7.1.1.3. Identify the controls included in the process, or controls that could be included, that would result in a reduction in the inherent risk.

7.1.1.4. Assess whether there are Internal Controls that need to be improved or added to the process under consideration.

7.1.1.5. Implement new controls or improve existing controls that are determined to be the most efficient and effective for decreasing the risk of Fraud, Waste or Abuse.

7.1.1.6. Train its employees on implemented new controls or improvements to existing controls.

7.2. External Audits and Other Reviews. Audits and other reviews may be performed on various components of the District's Internal Controls by the Auditor consistent with Government Auditing Standards (GAS). Audits may identify material deficiencies in the Internal Controls and make recommendations to improve them. District Management shall communicate and cooperate with the Board and the Auditor regarding the potential implementation of Auditor recommendations.

**Specific Authority:** §§ 190.011(5)], 218.33(3), *Florida Statutes*

**Effective date:** February 5, 2020

# SECTION X

**BOUNDARY AMENDMENT FUNDING AGREEMENT BETWEEN  
THE NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT  
AND JMBI REAL ESTATE, LLC**

THIS AGREEMENT (“Agreement”) is made and entered into this 5<sup>th</sup> day of February, 2020, by and between:

**NORTH POWERLINE ROAD COMMUNITY DEVELOPMENT DISTRICT**, a local unit of special-purpose government established pursuant to Chapter 190, *Florida Statutes*, with a mailing address of 219 East Livingston Street, Orlando, Florida 32801 (the “District”), and

**JMBI REAL ESTATE, LLC**, a Florida limited liability company and affiliate of the primary developer within the District, with a mailing address of 346 East Central Avenue, Winter Haven, Florida 33880 (“Developer”).

**RECITALS**

**WHEREAS**, the District (“District”) is a local unit of special-purpose government created and existing pursuant to Chapter 190, *Florida Statutes* (“Act”), as established by Ordinance No. 18-036 (“Ordinance”), adopted by the Board of County Commissioners of Polk County, Florida (“County”) on June 5, 2018, and being situated mostly in unincorporated Polk County, Florida and partly in the City of Davenport, Florida; and

**WHEREAS**, pursuant to the Act, the District is authorized to construct, acquire, and maintain infrastructure improvements and services within and without the boundaries of the District; and

**WHEREAS**, the District presently consists of approximately 190.56 acres of land, more or less, as more fully described in the Ordinance; and

**WHEREAS**, Developer has approached the District and requested the District petition to amend its boundaries to include additional lands to the District; and

**WHEREAS**, the amendment proposed by Developer is within the amendment size restrictions contained within section 190.046(1), *Florida Statutes*, and will result in the District being comprised of approximately 195.95 acres; and

**WHEREAS**, the District agrees to petition to amend its boundary in accordance with the procedures and processes described in Chapter 190, *Florida Statutes*, which processes include the preparation of a petition to the County and such other actions as are necessary in furtherance of the boundary amendment process; and

**WHEREAS**, in order to seek a boundary amendment pursuant to Chapter 190, *Florida Statutes*, the District desires to authorize District staff, including but not limited to legal,



engineering, and managerial staff, to provide such services as are necessary throughout the boundary amendment process; and

**WHEREAS**, any such work shall only be performed in accord with the authorizations of the District's Board of Supervisors ("Board"); and

**WHEREAS**, the retention of any necessary consultants and the work to be performed by District staff may require the expenditure of certain fees, costs, and other expenses by the District as authorized by the Board; and

**WHEREAS**, Developer desires to provide sufficient funds to the District to reimburse the District for any such expenditures including but not limited to legal, engineering, and other consultant fees, filing fees, administrative, and other expenses, if any.

**NOW, THEREFORE**, based upon good and valuable consideration and mutual covenants of the parties, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**SECTION 1. PROVISION OF FUNDS.** Developer agrees to make available to the District such monies as are necessary to enable the District to proceed with the boundary amendment and to provide such monies as are necessary to enable District staff, including legal, engineering, and managerial staff, to assist in the boundary amendment process and proceedings. Developer will make such funds available monthly, within thirty (30) days of a written request by the District. The funds shall be placed in the District's depository as determined by the District.

**SECTION 2. DISTRICT USE OF FUNDS.** The District agrees to use such funds solely for the fees, costs, and other expenditures accruing or accrued for seeking an amendment to the boundaries of the District in accord with Chapter 190, *Florida Statutes*. The District agrees to use good faith best efforts to proceed in an expeditious manner with the preparation and filing of the petition and related materials to seek the amendment of the District's boundary pursuant to Chapter 190, *Florida Statutes*, and with the prosecution of the procedural requirements detailed in Chapter 190, *Florida Statutes*, for the amendment of the District's boundary. The District also agrees to make monthly requests for necessary funds from Developer for reimbursement for services of the boundary amendment team, as described in Section 1 of this Agreement. The District shall not reimburse Developer for funds made available to the District under this Agreement.

**SECTION 3. DEFAULT.** 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 damages, injunctive relief and/or specific performance.

**SECTION 4. ENFORCEMENT OF AGREEMENT.** In the event that either party is required to enforce this Agreement by court proceedings or otherwise, then the substantially prevailing party shall be entitled to recover all fees and costs incurred, including reasonable attorneys' fees and costs for trial, alternative dispute resolution, or appellate proceedings.

**SECTION 5. AGREEMENT.** This instrument shall constitute the final and complete expression of this Agreement between the parties relating to the subject matter of this Agreement.

**SECTION 6. AMENDMENTS.** Amendments to and waivers of the provisions contained in this Agreement may be made only by an instrument in writing executed by both parties hereto.

**SECTION 7. AUTHORIZATION.** The execution of this Agreement has been duly authorized by the appropriate body or official of all parties to this Agreement, 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 8. 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 the District: North Powerline Road Community  
Development District  
219 East Livingston Street  
Orlando, Florida 32801  
Attn: Jillian Burns

With a copy to: Hopping Green & Sams, P.A.  
119 South Monroe Street, Suite 300  
Tallahassee, Florida 32301  
Attn: Roy Van Wyk

**B.** If to Developer: JMBI Real Estate, LLC  
346 E. Central Avenue  
Winter Haven, Florida 33880  
Attn: Warren K. (Rennie) Heath II

With a copy to: Straughn & Turner, P.A.  
255 Magnolia Avenue SW  
Winter Haven, Florida 33880  
Attention: Richard E. Straughn

Except as otherwise provided in this Agreement, any Notice shall be deemed received only upon actual delivery at the address set forth in this Agreement. 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 parties may deliver Notice on behalf of the parties.

Any party or other person to whom Notices are to be sent or copied may notify the other parties and addresses 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 addresses set forth in this Agreement.

**SECTION 9. THIRD PARTY BENEFICIARIES.** This Agreement is solely for the benefit of the formal parties to this Agreement and no right or cause of action shall accrue upon or by reason hereof, 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 parties to this Agreement any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof; 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 parties to this Agreement and their respective representatives, successors, and assigns.

**SECTION 10. ASSIGNMENT.** Neither party may assign this Agreement or any monies to become due hereunder without the prior written approval of the other party. Any purported assignment without such prior written approval shall be null and void.

**SECTION 11. CONTROLLING LAW.** This Agreement and the provisions contained herein shall be construed, interpreted, and controlled according to the laws of the State of Florida.

**SECTION 12. EFFECTIVE DATE.** The Agreement shall be effective after execution by both parties to this Agreement and shall remain in effect unless terminated by either of the parties.

**SECTION 13. PUBLIC RECORDS.** Developer understands and agrees that all documents of any kind provided to the District or to District staff in connection with the work contemplated under this Agreement may be public records and will be treated as such in accord with Florida law.

**SECTION 14. ARM'S LENGTH TRANSACTION.** This Agreement has been negotiated fully between the parties as an arm's length transaction. The parties participated fully in the preparation of this Agreement with the assistance of their respective counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, the parties are each deemed to have drafted, chosen, and selected the language, and doubtful language will not be interpreted or construed against any party.

**SECTION 15. SOVEREIGN IMMUNITY.** Developer agrees that nothing in this Agreement shall constitute or be construed as a waiver of the District's limitations on liability contained in section 768.28, *Florida Statutes*, or other statutes or law.

**SECTION 16. 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 17. COUNTERPARTS.** This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be an original; however, all such counterparts together shall constitute but 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.

*[Signatures on next page]*

IN WITNESS THEREOF, the parties execute this agreement the day and year first written above.

ATTEST:

**NORTH POWERLINE ROAD  
COMMUNITY DEVELOPMENT  
DISTRICT**

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

\_\_\_\_\_  
Vice Chairperson, Board of Supervisors

WITNESS:

**JMBI REAL ESTATE, LLC**  
a Florida limited liability

\_\_\_\_\_  
Print Name: \_\_\_\_\_

\_\_\_\_\_  
Name: Warren K. (Rennie) Heath II  
Title: Manager

## SECTION XI

UNIFORM COLLECTION  
AGREEMENT  
DISTRICT

THIS AGREEMENT made and entered into this 22 day of, January 2020  
by and between North Powerline Road Community Development District ("District"),  
whose address is 219 East Livingston Street Orlando FL 32801  
and the Honorable Joe G. Tedder, State Constitutional Tax Collector in and for the Polk County  
Political Subdivision, whose address is Polk County Tax Collectors Office, P.O. Box 1189,  
Bartow, Florida 33831-1189 ("Tax Collector").

SECTION I

Findings and Determinations

The parties find and determine:

1. District is authorized to impose and levy, and by appropriate Resolution has expressed its intent to use the statutory uniform methodology of collection for, certain non-ad valorem special assessments for Lakeside Preserve Community Development District as authorized by constitutional and statutory municipal home rule and by section 197.3632, Florida Statutes (2012) and Rule 12D-18, Florida Administrative Code.

2. The term "Assessments" means those certain levies by the District which purport to constitute non-ad valorem special assessments for North Powerline Road CDD improvements and related systems, facilities and services pursuant to Ordinance 18-036 a non-ad valorem special assessment is lienable under Section 4, Article X, Florida Constitution, if it results in a special benefit peculiar to the parcels of property involved, over and above general community benefit, as a result of a logical connection to the property involved from the system, facility and service provided by the District and if it is apportioned to the property fairly and reasonably.

3. The uniform statutory collection methodology is provided in section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code ("uniform methodology"), with its enforcement provisions, including the use of tax certificates and tax deeds for enforcing against any delinquencies; and

4. The uniform methodology is more fair to the delinquent property owner than traditional lien foreclosure methodology.

5. The uniform methodology provides for more efficiency of collection by virtue of the Assessment being on the official tax notice issued by the Tax Collector which will produce positive economic benefits to the District and its citizens; and

6. The uniform methodology, through use of the official tax notice, will tend to eliminate confusion.

7. The Tax Collector, as the State Constitutional Officer for the county political subdivision, charged by general law in Chapter 197, Florida Statutes, and related rules and regulations, to function as the agent of the Florida Department of Revenue for purposes of the uniform methodology for the Assessments.

8. The sole and exclusive responsibility to determine, impose and levy the Assessments and to determine that it is a legal, constitutional and lienable non-ad valorem special assessment for North Powerline Road CDD and related systems, facilities and services is that of the District and no other person, entity or officer.

## SECTION II

### Applicable Law and Regulations

1. Section 2, Article VIII, Florida Constitution; Chapter 170, Florida Statutes; sections 197.3631, 3632 and 3635, Florida Statutes; Rule 12D-18, Florida Administrative Code; and all other applicable provisions of constitutional and statutory law, govern the exercise by the District of its local self-government power to render and pay for municipal services.

2. Section 1(d), Article VIII, Florida Constitution; Chapter 197, Florida and other applicable provisions of constitutional and statutory law apply to Tax Collector in his capacity as a state constitutional county officer and agent of the Florida Department of Revenue for purpose the of collecting and enforcing the collection of non-ad valorem special assessments levied by District.

3. Section 197.3631, Florida Statutes, constitutes supplemental authority for District to levy non-ad valorem assessments including such non-ad valorem special assessments as the “Assessments” for North Powerline Road CDD and related systems, facilities and services.

4. Section 197.3632, Florida Statutes, and Rule 12D-18, Florida Administrative Code, have provisions that apply both to District and to Tax Collector, as well as, to the Department of Revenue and the Property Appraiser in and for the county.

## SECTION III

### Purpose

The purpose of this Agreement under Rule 12D-18, Florida Administrative Code, is to establish the terms and conditions under which the Tax Collector shall collect and enforce the collection of those certain non-ad valorem special assessments, the “Assessments,” levied by District to include compensation by District to the Tax Collector for actual costs of collection pursuant to section 197.3632(8)(c), Florida Statutes; payment by District of any costs involved in separate mailings because of non-merger of any non-ad valorem special assessment roll as certified by the Chair of the Board of North Powerline Road Community Development District



or his or her designee, pursuant to section 197.3632(7), Florida Statutes; and reimbursement by District for necessary administrative costs, including, but not limited to, those costs associated with personnel, forms, supplies, data processing, computer equipment, postage and programming which attend all of the collection and enforcement duties imposed upon the Tax Collector by the uniform methodology, as provided in section 197.3632(2), Florida Statutes.

#### SECTION IV

##### Term

The term of this Agreement shall commence upon execution, effective for 2020 tax notice purposes, and shall continue and extend uninterrupted from year-to-year, automatically renewed for successive periods not to exceed one (1) year each, unless District shall inform the Tax Collector, as well as Property Appraiser and the Department of Revenue, by 10 January of each calendar year, if District intends to discontinue using the uniform methodology for such Assessments pursuant to section 197.3632(6), Florida Statutes (2012) and Rule 12D-18.006(3), Florida Administrative Code, using form DR-412 promulgated by the Florida Department of Revenue.

#### SECTION V

##### Duties and Responsibilities of District

District agrees, covenants and contracts to:

1. Compensate the Tax Collector for collections on behalf of the special assessment district in the amount of two percent (2%) on the balance pursuant to 192.091(2)(b), Florida Statutes and 12D-18.004(2), Florida Administrative Code. The Authority agrees the 2% will be deducted from the balance at the time of each distribution.
2. To pay for or alternatively to reimburse the Tax Collector for any separate tax notice necessitated by the inability of the Tax Collector to merge the non-ad valorem special assessment roll certified by District pursuant to section 197.3632(7), Florida Statutes and Rule 12D-18.004(2) Florida Administrative Code.
3. District upon being timely billed shall pay directly for necessary advertising relating to implementation of the uniform non-ad valorem special assessment law pursuant to sections 197.3632 and 197.3635, Florida Statutes, and Rule 12D-18.004(2), Florida Administrative Code.
4. By 15 September of each calendar year, the Chair of the Board of the North Powerline Road Community Development District, or his or her designee, shall certify, using DR Form 408 to the Tax Collector the non-ad valorem assessment ("Assessment") roll on compatible electronic medium, tied to the property parcel identification number, and otherwise in conformance with the ad valorem tax rolls submitted by the Property Appraiser in July to the Department of Revenue. District, or its agent on behalf of District, shall post the non-ad valorem special assessment for each parcel on the said non-ad valorem assessment roll and shall exercise

its responsibility that such non-ad valorem assessment roll be free of errors and omissions. Section 197.3632(10), Florida Statutes, and Rule 12D-18.006, Florida Administrative Code.

5. District agrees to abide by and implement its duties under the uniform law pursuant to all the provisions of sections 197.3632 and 197.3635, Florida Statutes, or its successor of statutory provisions and all applicable rules promulgated by the Department of Revenue and their successor rules.

6. District acknowledges that the Tax Collector has no duty, authority or responsibility in the imposition and levy of any non-ad valorem special assessments, including the District's "Assessment" and that it is the sole responsibility and duty of District to follow all procedural and substantive requirements for the levy and imposition of constitutionally lienable non-ad valorem special assessments, including the Assessments.

7. District shall indemnify and hold harmless Tax Collector to the extent of any legal action which may be filed in local, state or federal courts against Tax Collector regarding the imposition, levy, roll preparation and certification of the Assessments; District shall pay for or reimburse Tax Collector for fees for legal services rendered to Tax Collector with regard to any such legal action. Nothing herein shall be deemed or construed as a waiver of sovereign immunity by the Tax Collector or the District, and the parties shall have and maintain at all times and for all purposes any and all rights, immunities and protections available under controlling legal precedent as provided under Section 768.28, Florida Statute, or its successor and as provided under other applicable law.

## SECTION VI

### Duties of the Tax Collector

1. The Tax Collector or its agent shall merge timely the legally certified "Assessment" roll of the District with all non-ad valorem assessment rolls, merge said rolls with the tax roll, prepare a collection roll and prepare a combined notice (the tax notice) for both ad valorem taxes and non-ad valorem special assessments for all levying authorities within the county political subdivision, pursuant to sections 197.3632 and 197.3635, Florida Statutes, and its successor provisions, and any applicable rules, and their successor rules, promulgated by the Department of Revenue, and in accordance with any specific ordinances or resolutions adopted by district, so long as said ordinances and resolutions shall themselves each and every one clearly state intent to use the uniform method for collecting such assessments and so long as they are further not inconsistent with, or contrary to, the provisions of sections 197.3632 and 197.3635, Florida Statutes, and their successor provisions, and any applicable rules.

2. Tax Collector shall collect the Assessments of District as certified by the Chair of the North Powerline Road Community Development District or his or her designee, to the Tax Collector no later than 15 September of each calendar year on compatible electronic medium, tied to the property identification number for each parcel, and in the format used in July by the

Property Appraiser for the ad valorem rolls submitted to the Department of Revenue, using, DR Form 408, and free of errors or omissions.

3. The Tax Collector agrees to cooperate with District in implementation of the uniform methodology for collecting Assessments pursuant to sections 197.3632 and 197.3635, Florida Statutes, and any successor provisions and applicable rules. The Tax Collector shall not accept any non-ad valorem assessment roll for the Assessments of District that is not officially, timely and legally certified to the Tax Collector pursuant to Chapter 197, Florida Statutes, and Rule 12D-18, Florida Administrative Code.

4. If the Tax Collector discovers errors or omissions on such roll, Tax Collector may request District to file a corrected roll or a correction of the amount of any assessment and District shall bear the cost of any such error or omission.

5. If Tax Collector determines that a separate mailing is authorized pursuant to section 197.3632(7), Florida Statutes, and any applicable rules promulgated by the Department of Revenue, and any successor provision to said law or rules, the Tax Collector shall either mail a separate notice of the particular non-ad valorem special assessment ("Assessment") or shall direct District to mail such a separate notice. In making this decision, the Tax Collector shall consider all costs to District and to the taxpayers of such a separate mailing as well as the adverse effect to the taxpayers of delay in multiple notices. If such a separate mailing is effected, District shall bear all costs associated with the separate notice for the non-ad valorem special assessment that could not be merged, upon timely billing by the Tax Collector.

## SECTION VII

### Entire Agreement

1. The parties shall perform all their obligations under this agreement in accordance with good faith and prudent practice.

2. This agreement constitutes the entire agreement between the parties with respect to the subject matter contained herein and may not be amended, modified or rescinded, unless otherwise provided in this Agreement, except in writing and signed by all the parties hereto. Should any provision of this Agreement be declared to be invalid, the remaining provisions of this Agreement shall remain in full force and effect, unless such provision found to be invalid alter substantially the benefits of the Agreement for either of the parties or renders the statutory and regulatory obligations unperformable.

3. This Agreement shall be governed by the laws of the State of Florida.

4. Written notice shall be given to the parties at the following addresses, or such other place or person as each of the parties shall designate by similar notice:

a. As to Tax Collector: Address Joe G. Tedder  
P.O. Box 1189  
Bartow, FL 33831-1189

b. As to District: Address North Powerline Road Community  
Development District  
219 East Livingston Street  
Orlando FL 32801

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals and such of them as are corporations have caused these presents to be signed by their duly authorized officers.

ATTEST:

**POLK COUNTY TAX COLLECTOR**

\_\_\_\_\_  
Joe G. Tedder, Tax Collector

By: Joe G. Tedder  
Printed Name

Date: \_\_\_\_\_

ATTEST:

\_\_\_\_\_ By: \_\_\_\_\_  
Printed Name

ATTEST:

\_\_\_\_\_ By: \_\_\_\_\_  
Printed Name

As authorized for execution by the District \_\_\_\_\_ of \_\_\_\_\_ City  
at its \_\_\_\_\_ regular meeting.

## SECTION XII

# CONTRACT AGREEMENT

This Agreement made and entered into on Friday, December 06, 2019 by and between the North Powerline Road Community Development District, a local unit of special purpose government of the State of Florida hereinafter referred to as the 'Special District', and Marsha M. Faux, Polk County Property Appraiser, a Constitutional Officer of the State of Florida, whose address is 255 North Wilson Ave., Bartow, FL 33830, hereinafter referred to as the 'Property Appraiser'.

1. Section 197.3632 Florida Statutes, provides that special assessments of non-ad valorem taxes levied by the Special District may be included in the assessment rolls of the County and collected in conjunction with ad valorem taxes as assessed by the Property Appraiser. Pursuant to that option, the Property Appraiser and the Special District shall enter into an agreement providing for reimbursement to the Property Appraiser of administrative costs, including costs of inception and maintenance, incurred as a result of such inclusion.
2. The parties herein agree that, for the 2020 tax year assessment roll, the Property Appraiser will include on the assessment rolls such special assessments as are certified to her by the North Powerline Road Community Development District.
3. The term of this Agreement shall commence on January 1, 2020 and shall run until December 31, 2020, the date of signature by the parties notwithstanding. This Agreement shall not automatically renew.
4. The Special District shall meet all relevant requirements of Section 197.3632 & 190.021 Florida Statutes.
5. The Special District shall furnish the Property Appraiser with up-to-date data concerning its boundaries and proposed assessments, and other information as requested by the Property Appraiser to facilitate in administering the non-ad valorem assessment in question. Specifically, the Special District shall provide **proposed assessments no later than Friday, July 17, 2020**, for inclusion on the 2020 TRIM notice which is statutorily mailed within 55 days of July 1. The Special District's assessments shall, as far as practicable, be uniform (e.g. one uniform assessment for maintenance, etc.) to facilitate the making of the assessments by the mass data techniques utilized by the Property Appraiser.
6. The Special District shall certify to the Property Appraiser the Special District's annual installment and levy **no later than Tuesday, September 15, 2020**. The Property Appraiser shall, using the information provided by the Special District, place the Special District's non ad-valorem special assessments on properties within the district for inclusion on the 2020 tax roll.
7. The Property Appraiser shall be compensated by the Special District for the administrative costs incurred in carrying out this Agreement at the rate of 1% of the amount levied on the TRIM Notice. The Property Appraiser will require **payment on or before Tuesday, September 15, 2020** for processing within the Property Appraiser budget year (October 1st – September 30th).
8. If the actual costs of performing the services under this agreement exceed the compensation provided for in Paragraph 7, the amount of compensation shall be the actual costs of performing the services under this agreement.
9. If tax roll corrections are requested by the Special District, the Property Appraiser shall be compensated by the Special District for the administrative costs incurred at the rate of \$5.00 for each tax roll correction exceeding ten (10) corrections per tax year.

The Special District shall indemnify and hold harmless, to the extent permitted by Florida law and without waiving its right of any applicable sovereign immunity, the Property Appraiser and all respective officers, employees, agents and instrumentalities from any and all liability, losses or damages, including attorneys' fees and costs of defense, which the Property Appraiser and all respective officers, employees, agents or instrumentalities may incur as a result of claims, demands, suits, causes of actions or proceedings of any kind or nature arising out of, relating to or resulting from the negligent or intentional acts or omissions of the Special District or its employees, agents, servants, partners, principals, or subcontractors arising out of, relating to, or resulting from the performance of the Agreement. The Special District shall pay all claims and losses in connection therewith and shall investigate and defend all claims, suits or actions of any kind or nature in the name of the Property Appraiser where applicable, including appellate proceedings, and shall pay all costs, judgments, and attorneys' fees which may issue thereon.

# CONTRACT AGREEMENT

EXECUTED on the date first above written

By:

Jill Burns

Special District Representative

Jill Burns

Print name

District Manager

Title

Marsha M. Faux, CFA, ASA  
Polk County Property Appraiser

By:

Marsha Faux

Marsha M. Faux, Property Appraiser

## SECTION XIII





**Marsha M. Faux, CFA, ASA**  
**Polk County Property Appraiser**  
**2020 Data Sharing and Usage Agreement**

**NORTH POWERLINE ROAD CDD**

This Data Sharing and Usage Agreement, hereafter referred to as "Agreement," establishes the terms and conditions under which the **NORTH POWERLINE ROAD CDD**, hereafter referred to as **agency**, can acquire and use Polk County Property Appraiser data that is exempt from Public Records disclosure as defined in FS 119.071.

The confidentiality of personal identifying and location information including: names, physical, mailing, and street addresses, parcel ID, legal property description, neighborhood name, lot number, GPS coordinates, or any other descriptive property information that may reveal identity or home address pertaining to parcels owned by individuals that have received exempt / confidential status, hereafter referred to as **confidential information**, will be protected as follows:

1. The **agency** will not release **confidential information** that may reveal identifying and location information of individuals exempted from Public Records disclosure.
2. The **agency** will not present the **confidential information** in the results of data analysis (including maps) in any manner that would reveal personal identifying and location information of individuals exempted from Public Records disclosure.
3. The **agency** shall comply with all state laws and regulations governing the confidentiality of personal identifying and location information that is the subject of this Agreement.
4. The **agency** shall ensure any employee granted access to **confidential information** is subject to the terms and conditions of this Agreement.
5. The **agency** shall ensure any third party granted access to **confidential information** is subject to the terms and conditions of this Agreement. Acceptance of these terms must be provided in writing to the **agency** by the third party before personal identifying and location information is released.

The term of this Agreement shall commence on **January 1, 2020** and shall run until **December 31, 2020**, the date of signature by the parties notwithstanding. **This Agreement shall not automatically renew.** A new agreement will be provided annually for the following year.

IN WITNESS THEREOF, both the Polk County Property Appraiser, through its duly authorized representative, and the **agency**, through its duly authorized representative, have hereunto executed this Data Sharing and Usage Agreement for the term of the agreement.

**POLK COUNTY PROPERTY APPRAISER**

Signature: Marsha Faux

Print: Marsha M. Faux CFA, ASA

Title: Polk County Property Appraiser

Date: December 2, 2019

**NORTH POWERLINE ROAD CDD**

Signature: Jill Burns

Print: Jill Burns

Title: District Manager

Date: 12/9/19

Please email the signed agreement to [pataxroll@polk-county.net](mailto:pataxroll@polk-county.net).

## SECTION XIV

# SECTION C

# SECTION 1

# North Powerline Road

## Community Development District

### Summary of Checks

November 25, 2019 to January 26, 2020

Bank	Date	Check No.'s	Amount	
General Fund	12/20/19	59-67	\$	15,638.81
	12/24/19	68	\$	2,232.99
			\$	17,871.80
			\$	17,871.80

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK.... AMOUNT #
12/20/19	00001	11/06/19 AR110619	201911 310-51300-11000		*	200.00	
		SUPV FEE 11/6/19					
		12/04/19 AR120419	201912 310-51300-11000		*	200.00	
		SUPV FEE 12/4/19					
				ANDREW RHINEHART			400.00 000059
12/20/19	00014	11/30/19 20158	201911 310-51300-31100		*	352.50	
		ENGIN SERV THRU 11/30/19					
				ABSOLUTE ENIGNEERING INC			352.50 000060
12/20/19	00013	9/01/19 18638	201910 310-51300-32200		*	500.00	
		AUDIT FYE 9/30/19					
				GRAU AND ASSOCIATES			500.00 000061
12/20/19	99999	12/20/19 VOID	201912 000-00000-00000		C	.00	
		VOID CHECK					
				*****INVALID VENDOR NUMBER*****			.00 000062
12/20/19	00006	10/01/19 13	201910 310-51300-34000		*	2,916.67	
		MANAGEMENT FEES OCT19					
		10/01/19 13	201910 310-51300-35200		*	75.00	
		INFO TECH OCT19					
		10/01/19 13	201910 310-51300-51000		*	2.71	
		OFFICE SUPPLIES					
		10/01/19 13	201910 310-51300-42000		*	3.50	
		POSTAGE					
		10/01/19 13	201910 310-51300-42500		*	54.45	
		COPIES					
		10/01/19 13	201910 310-51300-41000		*	4.79	
		TELEPHONE					
		11/01/19 14	201911 310-51300-34000		*	2,916.67	
		MANAGEMENT FEES NOV19					
		11/01/19 14	201911 310-51300-35200		*	75.00	
		TECHNOLOGY FEES NOV19					
		11/01/19 14	201911 310-51300-51000		*	3.10	
		OFFICE SUPPLIES					
		11/01/19 14	201911 310-51300-42000		*	23.05	
		POSTAGE					
		11/01/19 14	201911 310-51300-42500		*	41.25	
		COPIES					
		11/01/19 14	201911 310-51300-41000		*	23.01	
		TELEPHONE					
		12/01/19 15	201912 310-51300-34000		*	2,916.67	
		MANAGEMENT FEES-DEC19					
		12/01/19 15	201912 310-51300-35200		*	75.00	
		INFO TECH-DEC19					

NPRC NORTH POWER LI KCOSTA

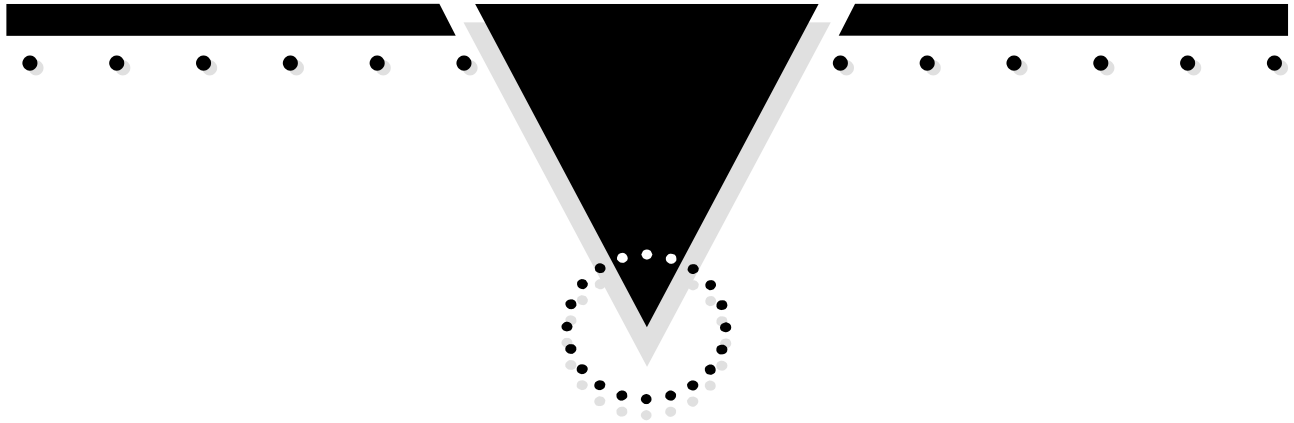
CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	.....CHECK..... AMOUNT #
		12/09/19 16	201912 310-51300-51000		*	2.71	
		OFFICE SUPPLIES					
		12/09/19 16	201912 310-51300-42000		*	3.75	
		POSTAGE					
		12/09/19 16	201912 310-51300-42500		*	16.35	
		COPIES					
				GOVERNMENTAL MANAGEMENT SERVICES			9,153.68 000063
12/20/19 00007		10/21/19 110688	201909 310-51300-31500		*	1,483.50	
		RULEMAKING/LETTER/MTG					
		11/27/19 111377	201910 310-51300-31500		*	2,549.13	
		MTG/DEVELOP CHART/DEO					
				HOPPING GREEN & SAMS			4,032.63 000064
12/20/19 00008		11/06/19 KC110619	201911 310-51300-11000		*	200.00	
		SUPV FEE 11/6/19					
		12/04/19 KC120419	201912 310-51300-11000		*	200.00	
		SUPV FEE 12/4/19					
				KEVIN CHINOY			400.00 000065
12/20/19 00009		11/06/19 LS110619	201911 310-51300-11000		*	200.00	
		SUPV FEE 11/6/19					
		12/04/19 LS120419	201912 310-51300-11000		*	200.00	
		SUPV FEE 12/4/19					
				LAUREN SCHWENK			400.00 000066
12/20/19 00010		11/06/19 PA110619	201911 310-51300-11000		*	200.00	
		SUPV FEE 11/6/19					
		12/04/19 PA120419	201912 310-51300-11000		*	200.00	
		SUPV FEE 12/4/19					
				PHILLIP ALLENDE			400.00 000067
12/24/19 00012		7/17/19 L060G0IY	201907 310-51300-48000		*	346.50	
		NOTICE OF PH & RG MTG					
		7/24/19 L060G0IY	201907 310-51300-48000		*	346.50	
		NOTICE OF PH & RG MTG					
		10/03/19 L060G0J0	201910 310-51300-48000		*	351.17	
		NOTICE OF RULES					
		10/04/19 L060G0J0	201910 310-51300-48000		*	570.50	
		NOTICE OF RULES-AMEND					
		10/09/19 L060G0J1	201910 310-51300-48000		*	337.16	
		NOTICE OF RG MTG					
		10/28/19 L060G0J1	201910 310-51300-48000		*	281.16	
		NOTICE OF RG MTG					
				THE LEDGER/ NEWS CHIEF			2,232.99 000068
				TOTAL FOR BANK A		17,871.80	
				NPRC NORTH POWER LI KCOSTA			

CHECK DATE	VEND#	.....INVOICE..... DATE INVOICE	...EXPENSED TO... YRMO DPT ACCT# SUB SUBCLASS	VENDOR NAME	STATUS	AMOUNT	....CHECK..... AMOUNT #
TOTAL FOR REGISTER						17,871.80	

NPRC NORTH POWER LI KCOSTA



## SECTION 2



# **NORTH POWERLINE ROAD**

## **Community Development District**

**Unaudited Financial Reporting**

**December 31, 2019**



# Table of Contents

1	<u>Balance Sheet</u>
2	<u>General Fund Income Statement</u>
3	<u>Capital Projects Fund Income Statement</u>
4	<u>Month to Month</u>
5	<u>Developer Contribution Schedule</u>

**NORTH POWERLINE ROAD**  
**COMMUNITY DEVELOPMENT DISTRICT**  
**BALANCE SHEET**  
**December 31, 2019**

	General Fund	Capital Projects Fund	Totals FY20
<b><u>ASSETS:</u></b>			
<b><u>CASH</u></b>			
OPERATING ACCOUNT	\$7,550	---	\$7,550
<b>TOTAL ASSETS</b>	<b><u>\$7,550</u></b>	<b><u>\$0</u></b>	<b><u>\$7,550</u></b>
<b><u>LIABILITIES:</u></b>			
ACCOUNTS PAYABLE	\$897	\$61,530	\$62,427
DUE TO DEVELOPER	---	\$34,773	\$34,773
<b><u>FUND EQUITY:</u></b>			
<b>FUND BALANCES:</b>			
UNASSIGNED	\$6,652	---	\$6,652
RESERVED FOR CAPITAL PROJECTS	---	(\$96,304)	(\$96,304)
<b>TOTAL LIABILITIES &amp; FUND EQUITY</b>	<b><u>\$7,550</u></b>	<b><u>\$0</u></b>	<b><u>\$7,550</u></b>

# NORTH POWERLINE ROAD

## COMMUNITY DEVELOPMENT DISTRICT

### GENERAL FUND

#### Statement of Revenues & Expenditures

For The Period Ending December 31, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 12/31/19	ACTUAL THRU 12/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
DEVELOPER CONTRIBUTIONS	\$131,025	\$20,000	\$20,000	\$0
INTEREST	\$0	\$0	\$1	\$1
<b>TOTAL REVENUES</b>	<b>\$131,025</b>	<b>\$20,000</b>	<b>\$20,001</b>	<b>\$1</b>
<b><u>EXPENDITURES:</u></b>				
<b><u>ADMINISTRATIVE:</u></b>				
SUPERVISORS FEES	\$12,000	\$3,000	\$2,600	\$400
ENGINEERING	\$20,000	\$5,000	\$353	\$4,648
ATTORNEY	\$25,000	\$6,250	\$3,446	\$2,804
ANNUAL AUDIT	\$2,900	\$500	\$500	\$0
ASSESSMENT ADMINISTRATION	\$5,000	\$0	\$0	\$0
ARBITRAGE	\$650	\$0	\$0	\$0
DISSEMINATION	\$5,000	\$0	\$0	\$0
TRUSTEE FEES	\$3,550	\$0	\$0	\$0
MANAGEMENT FEES	\$35,000	\$8,750	\$8,750	(\$0)
INFORMATION TECHNOLOGY	\$2,100	\$525	\$225	\$300
TELEPHONE	\$250	\$63	\$28	\$35
POSTAGE & DELIVERY	\$850	\$213	\$30	\$182
INSURANCE	\$5,500	\$5,500	\$5,125	\$375
PRINTING & BINDING	\$1,000	\$1,000	\$112	\$888
LEGAL ADVERTISING	\$10,000	\$2,500	\$1,540	\$960
OTHER CURRENT CHARGES	\$1,000	\$250	\$0	\$250
OFFICE SUPPLIES	\$500	\$0	\$9	(\$9)
TRAVEL & PER DIEM	\$550	\$138	\$0	\$138
DUES, LICENSES, & FEES	\$175	\$175	\$175	\$0
<b>TOTAL ADMINISTRATIVE:</b>	<b>\$131,025</b>	<b>\$33,863</b>	<b>\$22,893</b>	<b>\$10,970</b>
<b>TOTAL EXPENDITURES</b>	<b>\$131,025</b>	<b>\$33,863</b>	<b>\$22,893</b>	<b>\$10,970</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>(\$2,892)</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$0</b>		<b>\$9,544</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$0</b>		<b>\$6,652</b>	

# NORTH POWERLINE ROAD

## COMMUNITY DEVELOPMENT DISTRICT

### CAPITAL PROJECTS FUND

#### Statement of Revenues & Expenditures

For The Period Ending December 31, 2019

	ADOPTED BUDGET	PRORATED BUDGET THRU 12/31/19	ACTUAL THRU 12/31/19	VARIANCE
<b><u>REVENUES:</u></b>				
DEVELOPER CONTRIBUTIONS	\$0	\$0	\$0	\$0
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b><u>EXPENDITURES:</u></b>				
CAPITAL OUTLAY	\$0	\$0	\$0	\$0
CAPITAL OUTLAY - COSTS OF ISSUANCE	\$0	\$0	\$0	\$0
TRANSFER OUT	\$0	\$0	\$0	\$0
<b>TOTAL EXPENDITURES</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>EXCESS REVENUES (EXPENDITURES)</b>	<b>\$0</b>		<b>\$0</b>	
<b>FUND BALANCE - BEGINNING</b>	<b>\$0</b>		<b>(\$96,304)</b>	
<b>FUND BALANCE - ENDING</b>	<b>\$0</b>		<b>(\$96,304)</b>	

# NORTH POWERLINE ROAD

## Community Development District

	Oct	Nov	Dec	Jan	Feb	March	April	May	June	July	Aug	Sept	Total
<b>REVENUES:</b>													
DEVELOPER CONTRIBUTIONS	\$0	\$20,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$20,000
INTEREST	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1
<b>TOTAL REVENUES</b>	<b>\$0</b>	<b>\$20,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$20,001</b>
<b>EXPENDITURES:</b>													
<b>ADMINISTRATIVE:</b>													
SUPERVISORS FEES	\$1,000	\$800	\$800	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,600
ENGINEERING	\$0	\$353	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$353
ATTORNEY	\$2,549	\$897	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,446
ANNUAL AUDIT	\$500	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$500
ASSESSMENT ADMINISTRATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ARBITRAGE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DISSEMINATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TRUSTEE FEES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MANAGEMENT FEES	\$2,917	\$2,917	\$2,917	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$8,750
INFORMATION TECHNOLOGY	\$75	\$75	\$75	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$225
TELEPHONE	\$5	\$23	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$28
POSTAGE & DELIVERY	\$4	\$23	\$4	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$30
INSURANCE	\$5,125	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$5,125
PRINTING & BINDING	\$54	\$41	\$16	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$112
LEGAL ADVERTISING	\$1,540	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,540
OTHER CURRENT CHARGES	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OFFICE SUPPLIES	\$3	\$3	\$3	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9
TRAVEL & PER DIEM	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DUES, LICENSES, & FEES	\$175	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$175
<b>TOTAL ADMINISTRATIVE</b>	<b>\$13,946</b>	<b>\$5,132</b>	<b>\$3,814</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,893</b>
<b>TOTAL EXPENDITURES</b>	<b>\$13,946</b>	<b>\$5,132</b>	<b>\$3,814</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$22,893</b>
<b>EXCESS REVENUES/(EXPENDITURES)</b>	<b>(\$13,946)</b>	<b>\$14,868</b>	<b>(\$3,814)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$2,892)</b>

**North Powerline Road Community Development District  
Developer Contributions/Due from Developer**

<b>Funding Request #</b>	<b>Prepared Date</b>	<b>Payment Received Date</b>	<b>Check/Wire Amount</b>	<b>Total Funding Request</b>	<b>General Fund Portion (FY18)</b>	<b>Capital Projects Fund Portion (FY18)</b>	<b>General Fund Portion (FY19)</b>	<b>Capital Projects Fund Portion (FY19)</b>	<b>General Fund Portion (FY20)</b>	<b>Over and (short) Balance Due</b>
FY18-1	6/5/18	10/11/18	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
2	9/21/18	10/11/18	\$ 20,000.00	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ -
FY19-01	12/12/18	4/16/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -
BV1	12/12/18	4/16/19	\$ 18,804.36	\$ 18,804.36	\$ -	\$ 18,804.36	\$ -	\$ -	\$ -	\$ -
BV2	1/29/19	4/16/19	\$ 1,001.11	\$ 1,001.11	\$ -	\$ -	\$ -	\$ 1,001.11	\$ -	\$ -
2	5/15/19	8/12/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -
3	7/26/19	9/13/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ 20,000.00	\$ -	\$ -	\$ -
BF-1	9/25/19	11/4/19	\$ 14,968.00	\$ 14,968.00	\$ -	\$ -	\$ -	\$ 14,968.00	\$ -	\$ -
BF-2	10/25/19		\$ -	\$ 61,377.21	\$ -	\$ -	\$ -	\$ 61,377.21	\$ -	\$ 61,377.21
BF-3	11/5/19		\$ -	\$ 153.00	\$ -	\$ -	\$ -	\$ 153.00	\$ -	\$ 153.00
FY20										
1	11/5/19	12/16/19	\$ 20,000.00	\$ 20,000.00	\$ -	\$ -	\$ -	\$ -	\$ 20,000.00	\$ -
Due from Developer			\$ 159,773.47	\$ 221,303.68	\$ 45,000.00	\$ 18,804.36	\$ 60,000.00	\$ 77,499.32	\$ 20,000.00	\$ 61,530.21

**Total Developer Contributions FY20**

**\$ 20,000.00**